



Daily Report

East Asia

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Group of 77 Asian Ministerial Meeting Continues

'Close Eye' Kept on ROK Delegates

SK0909022091 Seoul YONHAP in English 0153 GMT
9 Sep 91

[Text] Seoul, Sept. 9 (YONHAP)—North Korea is keeping a close eye on the South Korean delegates to a regional conference in Pyongyang despite repeated complaints, the Foreign Ministry said Monday.

The advance team, headed by Ambassador to Geneva Pak Su-kil, reported they were under heavy watch by North Korean officials, a ministry official said.

The South Koreans are attending the ministerial meeting of the Asian Group of the Group of 77 to prepare for a meeting of the United Nations Conference on Trade and Development (UNCTAD) next February.

Chief delegate Yu Chong-ha, a vice foreign minister, is to arrive in Pyongyang on Monday afternoon.

The South Koreans were confined to their hotel rooms after arriving on Friday. The North Koreans insisted it was a safety precaution because they came from a cholera-infected region.

They lifted the restriction Saturday morning, the first day of the meeting. The Asian Group meeting ends Thursday.

Thailand Urges Trade Commitment

BK1209075291 Bangkok THE NATION in English
12 Sep 91 p B20

[Text] Thailand has urged Asian developing countries to reaffirm their commitment to an international trading regime based on market mechanisms, and to be prepared to accommodate some of the demands of richer countries in return.

The call was made in Pyongyang, capital of North Korea, on Tuesday by Sukhon Kanchanalai, director general of the Business Economics Department, at a ministerial meeting of Asian developing countries preparing their position for next February's Eighth UN Conference on Trade and Development (UNCTAD VIII) in Colombia.

Sukhon, who heads the Thai delegation at the three-day meeting, warned that the world trading environment is "still a great cause of concern" because the Uruguay Round of world trade talks is "obviously" a clear failure. The harm to world trade will be "incalculable," she said, as countries turn to the creation of trading blocs and the powerful nations increase unilateral and bilateral pressure on their trading partners.

"With this in mind, I would like to reaffirm some basic points which Thailand has expressed again and again before.

"First, the improved system must provide for and facilitate a speedier and more sustainable development of the

poorer countries in order to bridge the gap between developed and developing nations.

"Second, the fruitful dialogues and negotiations can only take place if the interests of all countries, developed or developing, are adequately taken into account. It is self-defeating to make a wholly one-sided request.

"Third, some of the principles underlying the present system needed to be reviewed in response to the changing economic environment. However, we cannot totally reject the whole system of relations. The principle of market mechanism, for example, is still valid and effective. It is rather the misapplication of some of the principles within the system by some major countries that has caused so much disorder and chaos in world trade.

"Finally, in order to show the world that UNCTAD is still alive and well, it is necessary that UNCTAD VIII come up with credible and action-oriented resolutions on specific issues," Sukhon said.

UNCTAD was created in the 1960s, and meets every four years, to improve Third World countries' development prospects through trade rather than aid. Among the measures it has introduced have been the generalized system of preferences in which rich countries cut import duties on products from developing nations; and less successful attempts to set up commodity price stabilization funds. UNCTAD has also assisted developing countries with technical assistance for the Uruguay Round of trade liberalization talks under the General Agreement on Tariffs and Trade (GATT).

The Pyongyang meeting is an occasion for Asian developing countries to prepare their proposals for UNCTAD VIII, for submission to a meeting of the full Group of 77 developing countries, whose membership now exceeds 77, in Iran in November. The Group of 77 participates as a bloc in the UNCTAD meetings.

Thai officials say the Pyongyang meeting is a useful forum for airing Thai concerns about the need for a strengthened international free trade system. One of their objectives is to seek more UNCTAD assistance for Third World countries in the GATT talks, because developing countries cannot match the expertise of the industrial nations in the bargaining.

"We believe that UNCTAD has a significant role to play in improving and strengthening the multilateral and cooperation system both in its own capacity where trade occupies a central stage, and in supplementing the activities already underway in the GATT," Sukhon said.

"For instance, UNCTAD can facilitate the expansion and diversification of production and trade among developing countries under the Global System of Trade Preferences among developing countries (GSTP)."

11 Sep Activities Detailed

*SK1209052691 Pyongyang KCNA in English
0441 GMT 12 Sep 91*

[Text] Pyongyang September 12 (KCNA)—The seventh Asian ministerial meeting of the Group of 77 entered into the second day at the People's Palace of Culture here Wednesday.

The meeting was addressed by national and regional delegates including those from Yugoslavia, China, Indonesia, India, Pakistan, the Philippines, Laos, Vietnam, Nepal and Mongolia.

The speakers exposed the unreasonableness of the existing old international economic order, saying North-South relations have not yet been improved owing to still widening gap between the developed and the developing countries.

The developing countries should establish a new international economic order and, to this end, support and unite with one another, they stressed.

Stressing that they should conclude trade agreements conforming to the objective of their own choice, the speakers said that the multilateral financial bodies of the developed countries should refrain from chasing only their own interests from the aided countries.

The eighth session of the United Nations Conference on Trade and Development should be conducive to strengthening international trade and cooperation between the developed and the developing countries, they said.

At the meeting the Colombian delegate informed, on behalf of the Latin American region, about the results of the seventh Latin American ministerial meeting of the Group of 77.

Delegates expressed their approval and support for the offer of the Iranian delegate to hold the G-77 membership ministerial meeting in his country.

The meeting continues.

ROK's Yu Chong-ha Gives Speech

*SK1109035491 Seoul YONHAP in English 0243 GMT
11 Sep 91*

[Text] Pyongyang, Sept. 11 (OANA-YONHAP)—South Korean Vice Foreign Minister Yu Chong-ha pledged Wednesday to work toward a joint Seoul-Pyongyang contribution to global welfare and asked their Asian neighbors to protect the interests of developing nations and strengthen their internal solidarity.

Yu, in a keynote speech to the Asian group ministerial meeting of the Group of 77, stressed the importance of the Uruguay round negotiations being a success, of debt relief for developing countries, and of close cooperation on environmental protection.

Yu is here leading South Korea's first government delegation to an international conference in North Korea, its archrival since the Korean division in 1945.

The Asian group meeting is to prepare for the 8th General Assembly of the United Nations Conference on Trade and Development [UNCTAD] next February in Colombia.

"With South and North Korea's simultaneous entry into the United Nations in a week, we expect the two Koreas will not only make more desirable and vigorous contributions to the welfare of mankind but also intensify efforts for mutual cooperation in the international community centering around the United Nations," he told the meeting.

"The attendance of my delegation at this Pyongyang meeting evokes in me unusual sentiment," Yu said. "We are at the threshold of a new era of possible peaceful unification, to be achieved through the institutionalization of peace on the (Korean) peninsula."

Yu also addressed global and regional economic issues and called on all nations to fight against economic blocs.

"It is widely recognized that the process of regionalism will be accelerated at the expense of the multilateral trade system. In this regard, the Uruguay round negotiations, which are expected to provide the modality of international trade in the 1990s, should be completed successfully as early as possible to protect free trade from the threat of growing neo-protectionism," Yu said.

Addressing the growing debt burden of developing countries, the vice foreign minister said he hoped UNCTAD would seek a new initiative to substantially reduce the debt to "uphold the economic growth of developing countries."

"In tune with the efforts of the U.N. system, the Group of 77 should be transformed into a group that speaks best for the interests of developing countries by revitalizing the existing organs and strengthening internal solidarity.

"From now on, the Group of 77 should concentrate on more practical activities from which real economic benefits could be derived, and should set up harmonious and cooperative relations with developed countries through sincere dialogue," Yu said.

Meeting Closes 12 Sep

*SK1209104091 Pyongyang KCNA in English
1003 GMT 12 Sep 91*

[Text] Pyongyang September 12 (KCNA)—The three-day 7th Asian ministerial meeting of the Group of 77 which opened here on September 10 closed today after successfully discussing the agenda items.

The meeting discussed a common strategy and ways for the developing countries to establish a new equitable international economic order on the basis of an analysis and assessment of all the unequal and unreasonable problems in the present international economic relations.

It contributed to reducing structural contradictions in the economic relations between the developed and the developing countries and strengthening and developing friendship and cooperation among the Asian countries.

A Pyongyang declaration, substantive items of the provisional agenda for UNCTAD [United Nations Conference on Trade and Development] VIII, a ministerial statement on institutional issues, a ministerial statement and text on economic cooperation among developing countries, resolutions, directives and decisions, and the final document of the meeting were adopted at the plenary meeting which was held today prior to the closing ceremony.

Warnasena Rasaputram, chairman of the Asian group of the Group of 77, spoke at the closing ceremony.

He, on behalf of the Asian group, expressed thanks to the DPRK Government and people for all the conveniences they have provided for the successful holding of the meeting.

Saying the Asian ministerial meeting should make a positive contribution to economic development not only in Asia but, further, in the world he expressed the belief that the Pyongyang declaration would effectively help all countries attain their aim as they reflect the common view of all the poor and rich countries of Asia.

Head of the DPRK delegation Kim Tal-hyon, vice-premier and chairman of the External Economy Commission, who was chairman of the meeting, made a closing address.

At the seventh Asian ministerial meeting of the Group of 77 we have analyzed and assessed in an overall way the international economic situation, particularly the economic difficulties the developing countries are now facing, and worked out a common strategy of the developing countries to be set out at the UNCTAD VIII, he said, and stressed:

Through this meeting we in Asia could deepen mutual understanding and intimacy and exchange valuable views.

He expressed the belief that this intimacy would greatly contribute to the development of friendly relations among the Asian countries.

ROK's Yu Chong-ha To Depart Early

SK1209093691 Seoul YONHAP in English 0511 GMT
12 Sep 91

[Text] Pyongyang, Sept. 12 (YONHAP)—Wednesday evening was a repeat of the night before for the South Korean delegates as they were given the cold shoulder by Pyongyang officials.

The delegates, in the North Korean capital for the Asian group meeting of the Group of 77, attended a dinner reception hosted by North Korean Deputy Prime Minister Kim Tal-hyon but were off limits to North Koreans for even casual conversation.

South Korean Vice Foreign Minister Yu Chong-ha, the chief delegate, was talking to a young North Korean but was abruptly cut off when another North Korean appeared and led him away.

One Pyongyang official, asked why North Koreans were avoiding contact with the visitors from the South, said government leaders here were convinced the South Korean delegates had come not to attend the international meeting but to get a glimpse of the situation in the North.

He said Yu had not brought a message from his government and hence there was no need for official contacts.

The South Korean visitors found more freedom outside the meeting sites as they toured Pyongyang City Wednesday afternoon. They were shown around Nungnado Stadium, a 500 million-U.S.-dollar sports arena, and Kim Il-song tower.

Yu, cutting his visit one day short, will return to Seoul Friday evening instead of Saturday.

Evans on PRC, Taiwan, Hong Kong Joining APEC

BK0509072491 Melbourne Radio Australia
in English 0500 GMT 5 Sep 91

[Text] Australia's foreign minister, Gareth Evans, says the way has been cleared for China, Hong Kong, and Taiwan to join APEC—the Asia-Pacific Economic Cooperation group. Senator Evans said senior APEC officials meeting in South Korea recommended the three be invited to attend the APEC ministerial meeting scheduled for November.

The invitation follows lengthy negotiations among APEC members about the terms under which the three would be admitted.

APEC was originally an Australian initiative, bringing together the six ASEAN countries, the United States, Japan, Canada, South Korea, Australia, and New Zealand.

Senator Evans says the inclusion of China, Hong Kong, and Taiwan is in line with Australia's objectives.

[Begin Evans recording] This of course fulfills one of Australia's major objectives for the development of APEC. Their participation will very much strengthen the organization and they too will benefit from the process of consultation and regional economic cooperation.

The terms under which they will participate were, as I say, decided on during the process of consultations conducted by Korea as the current chair of APEC. We understand that Taiwan will participate under the name Chinese Taipei, as it does in the International Olympic Committee and the Asian Development Bank. We welcome the flexibility which has been shown by all the parties which has enabled us to reach agreement, and we do congratulate in particular Korea on its conduct of the negotiations. [end recording]

Japan**Bases in Philippines May Be Moved to Japan***OW1209112491 Tokyo KYODO in English 1106 GMT
12 Sep 91*

[Text] Tokyo, Sept. 12 KYODO—A top official of Japan's Self-Defense Forces (SDF) indicated Thursday the United States might transfer part of the functions of its Subic Bay naval station in the Philippines to Yokosuka, south of Tokyo.

At a press conference, Makoto Sakuma, chairman of the SDF's joint staff council, said, "the Yokosuka Naval Port is highly evaluated by the U.S. Navy for the use of repairing (its warships)."

But Sakuma said it does not mean that the entire Subic Bay naval station will be transferred to Yokosuka.

Washington is now confronting an imminent rejection by the Philippine Senate of a new bases treaty. The current treaty expires next Monday.

The new pact, which would allow the U.S. military to use the Subic Bay facility for 10 more years, requires approval by a two-thirds majority in the Senate.

The Senate's Foreign Relations Committee, which comprises the entire 23-member upper chamber, turned down the treaty Monday in a resolution supported by 12 senators.

Reportage Views Visit of USSR's Khasbulatov**Nakayama Looks Forward to Talks***OW1009071091 Tokyo KYODO in English 0631 GMT
10 Sep 91*

[Text] Tokyo, Sept. 10 KYODO—Foreign Minister Taro Nakayama said Tuesday he is looking forward to reviving negotiations with the Soviet Union over a group of disputed islands off the coast of Hokkaido.

Nakayama hailed comments Monday by Ruslan Khasbulatov, acting speaker of the Russian Parliament, as "forward-looking" and saw hope that bilateral negotiations over the islands can be revived.

Khasbulatov said in a meeting Monday with Prime Minister Toshiki Kaifu that Russia is determined to end the territorial dispute with Japan.

"Over the years, negotiations over territories between Japan and the Soviet Union have lost their vitality but (the meeting) firmly indicated a will to revive the territorial issue," Nakayama said after Tuesday's cabinet meeting.

The Soviet Army seized the islands at the end of World War II and Moscow has in recent years refused to discuss the issue, insisting that there is no territorial dispute with Japan since the Japanese gave up their claim to the "Kuril Islands" in the 1951 San Francisco Peace Treaty.

But President Mikhail Gorbachev acknowledged the existence of the territorial issue with Japan when he came to Tokyo in April.

The Soviet Union has referred to the disputed islands as the "Southern Kurils" while Japan claims the islands are distinct from the chain extending southward from Russia's Kamchatka peninsula.

Nakayama is scheduled to meet Khasbulatov, an emissary of Russian President Boris Yeltsin, on Thursday.

Nakayama said he wants to speak "positively" with Khasbulatov about resolving the islands issue while "looking ahead to the 21st century of large bilateral cooperation."

He added he looks forward to a "full exchange of views" with new Soviet Foreign Minister Boris Pankin at the U.N. General Assembly later this month.

Nakayama said he welcomes a reference by Interim Soviet Cabinet Vice Chairman Grigory Yavlinsky to an 1855 treaty that described the disputed islands as Japanese territory.

The radical economic reformer, responding to written questions submitted by KYODO NEWS SERVICE, said the islands should be returned under the 1855 treaty of commerce, navigation, and delimitation between Japan and Russia.

Officials To Intensify Cooperation*OW1009082191 Tokyo KYODO in English 0757 GMT
10 Sep 91*

[Text] Tokyo, Sept. 10 KYODO—Members of the ruling Liberal Democratic Party (LDP) and a visiting Russian Federation official agreed Tuesday to set up a joint committee for better relations between Japan and the Soviet bloc, LDP sources said.

Ruslan Khasbulatov, acting Russian Parliament speaker, attended a breakfast meeting hosted by LDP members who belong to the group called the Parliamentarians for Promotion of Japan-Soviet Relations.

During the meeting, Khasbulatov reportedly proposed setting up a joint committee of LDP group members and Russian officials in order to change public opinion in the Soviet Union and Russian Federation on the territorial dispute with Japan.

Keiji Murata, chairman of the LDP group, welcomed the idea and promised to prepare for it, according to the LDP sources.

Details for operation of the proposed committee are not yet clear but the two sides agreed to make it broad ranging in the political field, the sources said.

Khasbulatov later visited Hiroshi Mitsuzuka, the leader of a major LDP faction, and said he understands Japan's stance on the four islands off Hokkaido, which have been held by the Soviet Union since close of World War II.

Without solving the territorial issue, normalization of bilateral relations may not be realized, Khasbulatov said, stressing the necessity to intensify the efforts for resolving the issue, according to the sources.

Mitsuzuka said the LDP plans to push the Ministry of International Trade and Industry to boost trade insurance and government loans to encourage Japanese joint ventures and investment in Sakhalin and the Maritime Province of Siberia.

High-ranking LDP officials later told reporters that the government should promptly discuss the territorial issue with the Russian Federation, which holds jurisdiction over the islands of Etorofu, Kunashiri, Shikotan, and Habomai, all east of Hokkaido.

Interview on Territorial Issue

OW1009161591 Tokyo NHK General Television
Network in Japanese 1204 GMT 10 Sep 91

[Interview with Ruslan Khasbulatov, acting chairman of the Supreme Soviet of the Russian Republic, by NHK International Department correspondent Ueda in Tokyo—live, in Russian with superimposed translation into Japanese]

[Text] [Ueda] I will interview Mr. Khasbulatov without delay.

Mr. Khasbulatov, you delivered a message from Mr. Yeltsin yesterday to Prime Minister Kaifu. In the message, the Russian Republic president proposed that the northern territories issue be settled based in a five-stage phase. What does this proposal mean?

[Khasbulatov] Among other things, I delivered President Yeltsin's message to Prime Minister Kaifu, and this is proof that the Japanese Government accepted. [sentence as heard] Today's newspapers reported the message from President Yeltsin and ran their commentaries on the message. What I want to say is that the president, in his message, said that the Russian Republic has become a complete member of the international community. Therefore, the Russian Government now has the right to handle relations between Japan and Russia and the president will exercise that right. President Yeltsin, in his message, said that we would halt pursuing conventional doctrine. In other words, the president said that he would put to an end to relations between a victorious nation and a defeated nation; such relations have lasted for about half a century. In the message, the president also stated that we hope to build friendly relations with the great people of Japan based on international law. One or two years ago, President Yeltsin proposed that the northern territories issue be resolved by the five-stage phase. I believe that the proposal was a good idea at the time. I have talked with President Yeltsin. At the talks, we have come to a conclusion that the five stages might be reduced or the period might be shortened, because the situation in the Soviet Union has qualitatively changed. The situation in the Soviet Union and

the Russian Republic has qualitatively changed. Therefore, the northern territories are now completely under the jurisdiction of the Russian Republic. We do not want to maintain the tense relations between Japan and the Soviet Union as they have been in the past.

[Ueda] Do you mean that you intend not only to reduce the stages and the period, but to make a new approach?

[Khasbulatov] Of course; you are right. A totally new approach will begin. For example, we intend to create a climate based on a feeling of mutual respect. I think that from now on, we will begin talks. In other words, relations between Japan and Russia will become good-neighborly ones.

[Ueda] Mr. Yavlinskiy's remarks were published in Japan yesterday. According to his remarks, which were termed as his own opinions, it will be necessary for Russia to return the northern islands. What do you think of his remarks?

[Khasbulatov] First of all, it should be pointed out that there are several contradictions. That is, Mr. Yavlinskiy is no longer an aide to the Russian president; rather, he is now a member of the Economic Management Committee. He is an excellent economist and I respect him. However, he has nothing to do with the Russian Republic's foreign policy. Moreover, his view is utterly different from the Russian government's position on foreign policy. In this connection, Yavlinskiy's remarks are very much.... [translator fails to finish sentence]

[Ueda] Well then, at any rate, it can be said that there are varying opinions concerning this issue among officials at the central government. Is that correct?

[Khasbulatov] Since his view is an opinion of a public service-minded [komu-shin-no-arui] politician, it certainly is one of the views that deserves attention. When I was director of the academic department of international relations, I could have stated the return of territories as my own personal view. However, now that I have assumed a responsible position, I have to take many things into consideration, because this is basically a very difficult issue. In this connection, I can certainly state that at least we have abandoned the reactionary position held earlier.

The former position taken by the Soviet Union states that no problems existed. The war ended and there were decisions made during the war. Therefore, there were no problems that should be discussed. We reject taking such a position as was taken earlier. Also, we would like to take a new approach, as I have just mentioned, and build a new relationship. This point is included in President Yeltsin's personal message. With authorized full power, I would like to state this point here as a member of the Russian government.

[Ueda] Well, then, I would like to ask a third question. After the independence of the three Baltic nations, would it be possible to view the issue on the return of the four northern islands from an entirely new standpoint?

[Khasbulatov] Well, I hope you will pay attention to the following fact: That is, about a year ago, when Yeltsin and his followers took over power, the Russian government stated that independence should be granted to the Baltic nations because they were once independent nations but were occupied later. Such a position taken by the Russian government was met with criticism. Former Premier Ryzhkov, Premier Pavlov, and President Gorbachev himself criticized this position.

The Russian Republic has recognized the independence of the Baltic republics. Since then, Western nations have come to recognize the Russian Republic for the first time. That is because the Russian side comprises people who have genuinely practical talent. They are men of deeds. They have proved that they will certainly do whatever they say they will do.

Concerning the measures we have taken—the measures we have taken toward the Baltic nations—have proved our approach, our political approach, and our political position. In this connection, I hope that the Japanese people will understand that the Russian Republic is truly determined to carry out what we have said we will carry out.

[Ueda] Well, we have asked Mr. Khasbulatov various questions on the Northern Territories issue. Now, I would like to turn the microphone over to Moscow. Mr. Sonoda, go ahead, please. [video shows announcer Tadashi Sonoda in NHK's Moscow studio.]

[Sonoda] Yes, Mr. Ueda, I would like to ask a question from Moscow now. Last Saturday, President Yeltsin stated that he would adhere to the original theory of five stages. He also mentioned another point that it would take seven to 10 years to complete demilitarization of the four northern islands. In regard to the period of seven to 10 years, there is some specific meaning. According to the original five-stage theory as advocated by President Yeltsin, demilitarization of the four islands belongs to the third of the five stages that will last for five to seven years. However, in his remarks made last Saturday, this period has been extended to seven to 10 years.

As Mr. Khasbulatov has just explained, the five stages will be shortened. Thus, there is a great difference between his remarks and those made by President Yeltsin. Would you please ask Mr. Khasbulatov, how is he going to explain such a difference?

[Ueda] Well, here is a question asked by my colleague in Moscow. President Yeltsin stated in his new conference there days ago that demilitarization, that is demilitarization of the northern territories, will not take five to seven years as originally advocated but it will take more time, from seven to 10 years. The time has been extended. Concerning this point, what is written in President Yeltsin's personal message?

[Khasbulatov] I do not think this concerns any essential factor. This may be just an excuse. However, the Soviet Union [as heard] for its part should not set the time limit of five years or 10 years. I do not think that the Russian Republic should set such a time limit. The term may

probably be further shortened. Once the negotiations should start, the term will actually be shortened. It may contradict with practical matters. Therefore, practical problems will have to be solved.

Regarding this personal message, it has been prepared with utmost care. Furthermore, this concept or doctrine itself was worked out by myself the day before I left Moscow. I talked it over with President Yeltsin, and we agreed that our policy will be included in this personal message. In this connection, it will be just meaningless now to take up those issues that were brought up prior to this personal message.

Of course, there are people who will [words indistinct] to the past. However, I think calculations should begin starting now when it comes to political moves or political timing.

[Ueda] Thank you very much, Mr. Sonoda. I have just asked Mr. Khasbulatov to give us some explanations. I wonder if you have understood his explanation. Moscow, please go ahead.

[Sonoda] Thank you very much.

Russia Ready To Grant 'Dream'

*OW1009124191 Tokyo KYODO in English 1207 GMT
10 Sep 91*

[Text] Tokyo, Sept. 10 KYODO—The acting chairman of the Russian Parliament Tuesday repeated his statements that Russian Federation wants to settle the long-standing dispute with Japan over four northern islands, Japanese officials said.

"(Russia) is ready to realize the long-cherished dream of the Japanese people," Ruslan Khasbulatov told Ichiro Ozawa, former secretary general of the ruling Liberal Democratic Party (LDP).

Khasbulatov's remarks apparently referred to the four islands off northeastern Hokkaido seized by the Soviet Union at the end of World War II. Japan has made the return of the islands a precondition for full-fledged relations between the two countries.

"The time has come to solve the conflict (between the two countries). The two sides should not miss a historical chance," Khasbulatov was quoted as saying.

Referring to the Russian Federation's stance on the territorial problem, Khasbulatov said the republic will work to maintain fair relations with Japan in accordance with international laws.

The four Soviet-held islands—Etorofu, Kunashiri, Shikotan, and the Habomai islet group—are under the jurisdiction of Russia, the largest Soviet republic.

In response, Ozawa said that he understands the political difficulties in the Soviet Union that hinder a solution to the dispute but said he hopes the Russian people will work toward settling the problem.

Khasbulatov indicated he saw a link between the territorial issue and aid to the Soviet Union.

Japanese officials quoted him as saying, "I wonder how to solve the contradiction between the time-requiring territorial dispute and the impending emergency aid problem."

Ozawa replied that he thinks the two problems can be resolved.

Japan has maintained a policy of linking the solution of the territorial problem to economic assistance to the Soviet Union.

In a separate meeting with Michio Watanabe, former chairman of the LDP's policy affairs research council, Khasbulatov asked for Japanese emergency food and medical aid for the Soviets.

Khasbulatov, who arrived in Tokyo on Monday at the LDP's invitation, told Prime Minister Toshiki Kaifu on Monday that Russia is determined to end the four-decade old territorial dispute with Japan.

Yeltsin Concession Seen

OW1009123591 Tokyo KYODO in English 1215 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—Russian Federation President Boris Yeltsin has apparently dropped his demand that the dispute over the northern territories be left for the next generation to resolve, Foreign Ministry Spokesman Taizo Watanabe indicated Tuesday.

Watanabe was referring to a letter delivered to Prime Minister Toshiki Kaifu on Monday by the acting Russian Parliament speaker, Ruslan Khasbulatov.

"We did not get the impression that this matter should continue to be left in the hands of the next generation after we heard Mr. Khasbulatov explain the position of the Russian Republic contained in the letter from Mr. Yeltsin," Watanabe said.

Khasbulatov told a group of ruling Liberal Democratic Party (LDP) legislators Tuesday that the letter proposes to "accelerate" Yeltsin's five-step negotiating formula.

Watanabe said Yeltsin's commitment to the "acceleration" of the five-stage formula "is something new and we welcome that."

"We believe that it is very important that this intention of the Russian Republic was made public at this time," he said, adding that it created "a good atmosphere...for further talks between our two countries."

The spokesman said Japan also considers it significant that Yeltsin reiterated the government's position that the territorial dispute should be resolved on the basis of "law and justice." He said Japan also noted Yeltsin's suggestion that "there should no longer be a kind of distinction between the victor and the vanquished (of World War

II)," and that "all talks should be held between two equal members of international society."

Watanabe doubted that Yeltsin meant Moscow no longer considers the islands it controls off Hokkaido as spoils of war.

Rather, he said, the Russian leader probably meant to say that Moscow will not attempt to impose its will or views on Japan when discussing the territorial issue.

MITI Offers Economic Know-How

OW1009125991 Tokyo KYODO in English 1231 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—Japan said on Tuesday it can offer the know-how of economic reconstruction it experienced after World War II to the Soviet Union and its republics if requested.

The offer was made by Eiichi Nakao, minister of international trade and industry, during a meeting with Ruslan Khasbulatov, acting Russian Parliament speaker who is in Tokyo for a five-day visit.

Nakao explained to Khasbulatov about Japan's Soviet assistance package, including newly decided missions to be sent one after another this fall, said an official who attended the meeting.

The missions are to examine the Soviet situation of safety facilities at atomic power generations, oil production facilities, as well as to gather necessary information for resuming underwriting of trade insurance for business with the Soviets.

In addition, Nakao said Japan is ready to help the Soviet Union create a radical economic and industrial reform package, using Japan's own experience in recovering from economic and industrial collapse after World War II.

What the Soviet Union now needs is to develop radical reform plans, with clear demarcation of the republics' political power and authority within the Soviet Union, Nakao reportedly pointed out.

As the largest republic of the Soviet Union, the Russian Federation is expected to take the central role in setting up new reform package, Nakao stressed.

According to the official, Nakao was referring to the emergency policies Japan set up in the postwar confusion to beef up production in specific industries such as mining and steel production.

Khasbulatov welcomed the new offer and said Japan's suggestions based on its experience will be beneficial to the Soviets.

He will pass the offer to the Soviet leaders and suggest they take it under consideration, Khasbulatov reportedly said.

Khasbulatov, invited here by the Liberal Democratic Party, is the first key Soviet official to come to Japan since last month's failed coup attempt by hard-liners in the Soviet Union.

Arriving Monday, he carried a message to Prime Minister Toshiki Kaifu from Russian Federation President Boris Yeltsin that Russia is determined to end its territorial dispute with Japan.

He repeated the message to Nakao and said the issue has been deadlocked in the past because the Soviet Union thought it was a matter between a winner and a loser in World War II.

The situation has changed and the issue now will be considered based on the norms of international law and fairness, he said.

Russia Stresses Need for Treaty

OW1109062591 Tokyo KYODO in English 0540 GMT 11 Sep 91

[Text] Tokyo, Sept. 11 KYODO—Acting Russian Parliament Speaker Ruslan Khasbulatov said Wednesday that the Russian Federation is determined to remove any obstacles blocking conclusion of a Japan-Soviet peace treaty, including the two countries' territorial dispute, according to Foreign Ministry officials.

Officials said Khasbulatov, who arrived in Japan on Monday for a five-day visit at the invitation of the ruling Liberal Democratic Party (LDP), made the remarks in an hourlong meeting with Deputy Foreign Minister Kunihiko Saito.

Khasbulatov was quoted as expressing satisfaction that Japan appears to correctly understand the message he attempted to convey from Russian Federation President Boris Yeltsin to Prime Minister Toshiki Kaifu in talks with the Japanese leader Monday.

Saito confirmed that Khasbulatov said the peace treaty negotiations should not be delayed, that they should be conducted on the basis of there being no distinction between the victors and the vanquished of World War II, and that the Russian people intend to act on the principles of "law and justice."

The four Soviet-held islands in dispute—Kunashiri, Etorofu, Shikotan, and the Habomais—are under the jurisdiction of the Russian Federation. They were seized by the Red Army at the end of World War II.

On Monday, Khasbulatov handed Kaifu a letter from Yeltsin, which officials later said indicated he no longer insisted that a settlement to the two countries' territorial dispute be left for the next generation.

When Yeltsin visited Japan in January 1990, he proposed a five-stage process by which a Soviet-Japan peace treaty would be signed in 15 to 20 years and a final decision on the disposition of the disputed territories left to the next generation.

Yeltsin reportedly told Soviet and foreign television networks last Saturday that his five-stage formula to resolve the dispute is "still effective."

Asked if there was any contradiction between what Yeltsin said on television and what he said in his letter to Kaifu, a Foreign Ministry official said Tuesday that Japan considers the letter to be a government-to-government commitment.

Khasbulatov told a group of LDP Diet members Tuesday that the letter proposes to "accelerate" the steps in Yeltsin's five-step formula.

Meanwhile, in a meeting Wednesday with former Finance Minister Kiichi Miyazawa, Khasbulatov was quoted as saying the Russian Federation wants a peace treaty to be concluded quickly.

Miyazawa reportedly responded positively to the Russian official's request for Japanese technical assistance for development of oil resources.

Further Comment on Treaty

OW1209072391 Tokyo KYODO in English 0254 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—Acting Russian Parliament Speaker Ruslan Khasbulatov said Thursday the Russian Federation "resolutely" hopes to conclude a Soviet-Japan peace treaty and resolve a decades-long territorial dispute with Japan.

The acting speaker made the comment in response to a question from Social Democratic Party (SDP) Chairman Makoto Tanabe during a 35-minute meeting with the top opposition party leader.

The Russian parliamentary leader arrived in Japan on Monday for a five-day visit at the invitation of the ruling Liberal Democratic Party.

Khasbulatov said the August 19-21 coup attempt has given Russia and Japan a new opportunity to review relations between Moscow and Tokyo, including the territorial issue.

Japan claims sovereignty over four islands—the Habomais, Shikotan, Etorofu, and Kunashiri—off eastern Hokkaido which the Soviets captured in the closing days of World War II.

Japan claims the islands were ceded to it under an 1856 Russo-Japanese friendship treaty and the 1951 San Francisco peace treaty.

Referring to Japanese aid for the Soviet Union, Tanabe told the Russian leader that Japan should extend food, medical and financial assistance to the Soviet Union without regard to Tokyo's policy of tying aid to Japanese sovereignty over the islands.

He said the Japanese people have reached a consensus that Japan should extend economic and other assistance to the Soviet Union.

Dispute Resolution Prospects Bright

OW1209042991 Tokyo KYODO in English 0356 GMT
12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—Chief Cabinet Secretary Misoji Sakamoto said Thursday that prospects for resolving a long-standing territorial dispute with the Soviet Union are brightening, but Japan is still uncertain about who its main negotiating partner will be.

"The major domestic and foreign policy changes taking place in the Soviet Union, and their revised view of history, make it easier for them to recognize that our position is correct," Sakamoto said.

"I think there is a stronger possibility now that the Soviet Union will take a more constructive stance than in the past," he said, responding to a question on the likelihood of the four islands off Hokkaido that are the subject of the dispute being returned to Japan.

But Sakamoto said progress would have to wait until there is clarification of the division of authority between the central Soviet Government and the Russian Federation, which has jurisdiction over the islands, referred to in Japan as the "northern territories."

Sakamoto's comments came a day after U.S. Secretary of State James Baker discussed the matter with Russian Federation President Boris Yeltsin.

Baker said after the talks that Yeltsin presented a proposal aimed at resolving the dispute and that he would convey Yeltsin's remarks to the Tokyo Government.

Sakamoto told the regularly scheduled news conference that he had not yet received a report from the United States on the content of the meeting.

Japan has said the islands, occupied by the Soviet Union since the end of World War II, must be returned prior to the signing of a peace treaty.

The dispute is also deterring Japan from offering large-scale economic assistance to the Soviet Union.

At a news conference later in the day, Sakamoto said that the Soviet Union's decision to withdraw troops from Cuba would have little bearing on Japan's consideration of providing economic assistance.

The decision is "appropriate," and will have a favorable impact on international opinion, Sakamoto said. "But there is no direct relationship to our aid."

Soviet President Mikhail Gorbachev said Thursday that he would soon open discussions with Cuban leaders on recalling the 11,000 Soviet troops stationed there.

Japan has said the Soviet Union's large military expenditure is one of obstacles to extending aid.

Nakayama Meets Khasbulatov

OW1209071191 Tokyo KYODO in English 0552 GMT
12 Sep 91

[Text] Tokyo, Sept. 11 KYODO—Acting Russian Parliament Chairman Ruslan Khasbulatov told Foreign Minister Taro Nakayama on Thursday that the Russian federation would welcome any Japanese offer of emergency assistance.

Foreign Ministry officials said Khasbulatov made the remark during 75 minutes of talks with Nakayama.

Khasbulatov was quoted as expressing understanding of Japan's policy of linking economic assistance to the Soviet Union to the dispute over four islands seized by the Soviet Union at the end of World War II.

He told Nakayama that if Japan were to offer emergency assistance to the Russian Federation in light of the positive changes under way, it would be highly appraised by the Russian people and have implications for public opinion.

Khasbulatov told Japanese leaders earlier in Tokyo that Soviet public opinion on the territorial dispute needs to be changed, noting that a large majority are against the return of the islands, which are under the Russian Federation's jurisdiction.

Khasbulatov arrived in Tokyo on Monday for a five-day visit at the invitation of the ruling Liberal Democratic Party (LDP).

Nakayama told Khasbulatov that Japan is seriously considering a number of measures to support the Russian Federation's reforms.

He said that Japan, having risen to its present economic stature from the ashes of World War II, has much to offer in terms of economic cooperation based on its wealth of experience.

Nakayama suggested Japan could provide expertise in the conversion of military industries to civilian production, as well as in the exploitation of the Russian Federation's vast resources.

He also said Japan is considering humanitarian assistance for the Russian Federation to head off hunger and shortages of medicines this coming winter, according to the officials.

The foreign minister outlined Japan's plan to send two survey teams to Siberia and the Soviet Far East from September 20-30 to gauge the availability of grain, food distribution, and the supply of medical goods.

The missions will include officials from the Foreign Ministry, the Agriculture, Forestry, and Fisheries Ministry, the Ministry of Health and Welfare, the Finance Ministry, and the Transport Ministry.

They are scheduled to visit the cities of Vladivostok, Nakhodka, Khabarovsk, Yakutsk, and Chita.

Meanwhile, missions of diplomats from the Japanese Embassy in Moscow will be sent for the same purpose to various parts of the Russian Federation, as well as other Soviet republics.

Nakayama said that in order to transfer technical expertise to the Soviet Union, the various ministries are going to send missions of economic experts.

He said Japan will also accept several hundreds of Soviet trainees, most of them from the Russian Federation.

Officials said Nakayama and Khasbulatov agreed on the need to boost cooperation and exchanges between Japan and the Russian Federation in such fields as politics, economics, culture, science and technology, and people-to-people exchanges.

EPA To Send Fact-Finding Mission to USSR

OW1209081991 Tokyo KYODO in English 0756 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—The Economic Planning Agency [EPA] will send a fact-finding mission to the Soviet Union later this month to discuss specific plans for economic assistance to the Soviets as they change to a market economy, officials said Thursday.

The five-member delegation, led by Tsutomu Tanaka, the agency's vice minister for international economic affairs, will leave for Moscow on September 26 and stay in that country until October 5.

The officials said the delegation hopes to see Grigoriy Yavlinskiy, vice chairman of the Economic Management Committee, and other economic officials from both Soviet and Russian Government levels.

Hyodo To Visit Moscow To Discuss Treaty

OW1209133791 Tokyo KYODO in English 1310 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—A senior Foreign Ministry official will visit Moscow from Sunday to discuss concluding a Japan-Soviet peace treaty, ministry sources said Thursday.

Nagao Hyodo, director general of the ministry's European and Oceanic Affairs Bureau, will hold talks with Soviet officials to set up schedules for a group working toward concluding the treaty in order to speed up the works, the sources said.

When Deputy Foreign Minister Kunihiro Saito visited Moscow in late August, the two sides basically agreed to resume the activity of the working group.

Hyodo will also meet Soviet Foreign Ministry officials in a bid to reach agreement on visa-free voyages to the four Soviet-held islands off Hokkaido, the sources said.

Meanwhile, Foreign Minister Taro Nakayama may meet Russian Federation Foreign Minister Andrey Kozyrev in late September in New York, a top ministry official said.

Nakayama, who will be visiting New York to attend a session of the U.N. General Assembly, is already scheduled to meet new Soviet Foreign Minister Boris Pankin.

The officials said they do not know whether the meetings with Pankin and Kozyrev will be held separately or not.

Government, SDP To Send Delegations to USSR

OW1209082691 Tokyo KYODO in English 0758 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—A Japanese Government delegation will make a 10-day tour of the Soviet far east from September 20 seeking information on how it might offer humanitarian help to the Soviet Union for the winter, government sources said Thursday.

The delegation, to be headed by a senior Foreign Ministry official, Yoshitomo Tanaka, will include representatives from the Agriculture, Health, Finance, and Transport Ministries.

The delegates will visit Khabarovsk, Nakhodka, Vladivostok, and the capital of Sakhalin island, Yuzhno Sakhalinsk, to gather information on the Soviet harvest this fall and what food and medical supplies might be needed this winter.

Members of the Japanese Red Cross Society will be traveling with the government delegation in a follow-up survey on the provision of food and medical supplies last year.

Meanwhile, the Social Democratic Party [SDP] announced Thursday that a party delegation will be leaving Monday for a six-day visit to Moscow and the newly independent Baltic republics in an attempt to ascertain its relations with the rapidly transforming Soviet Union.

The party's deputy secretary general, Chuji Ito, will lead the delegation in its meetings with members of the Soviet and Russian governments as well as those of the Baltic states—Lithuania, Latvia, and Estonia.

Hashimoto Comments on Brady's USSR Visit

OW1209133891 Tokyo KYODO in English 1317 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—Finance Minister Ryutaro Hashimoto on Thursday welcomed Russian Federation President Boris Yeltsin's proposal to resolve a Japan-Soviet dispute over the northern territories.

The proposal was presented by Acting Russian Parliament Speaker Ruslan Khasbulatov, who is visiting Japan.

The proposal is one that Japan can praise without reservation, said Hashimoto at a press conference.

The issue of four islands, which the Soviet Union seized immediately after World War II, has been recognized as a remnant of the Cold War, he said.

The fact that no one knows whether the Kremlin or the republics have diplomatic authority remains a problem, he added.

Regarding U.S. Treasury Secretary Nicholas Brady's visit to Moscow, Hashimoto stressed the need for Japanese financial authorities to visit the Soviet Union.

He did not raise the topic of Japanese financial assistance to the Soviets.

Another Finance Ministry official said debate over financial assistance should not be linked to resolving the issue of Japan's claim to islands in the Kuril chain.

He said it is not a matter of Japan buying the territories with money.

He suggested that Japan is considering providing emergency aid to the country, without any relation to the territorial issue.

International Oil Firm To Emerge in USSR

*OW1209103991 Tokyo KYODO in English 1004 GMT
12 Sep 91*

[Text] Tokyo, Sept. 12 KYODO—One of the largest international oil enterprises will be established in the Soviet Union through a merger of 12 national oil companies in western Siberia, Japanese industry sources said Thursday.

The Russian oil and gas consortium will boil down the details in a month for starting operations with a production capacity of eight million barrels a day, the sources said.

The enterprise is expected to rival Saudi Arabian Oil Co. (Saudi Aramco), the world's largest oil producer with a daily capacity of 8.5 million barrels.

Oil enterprises in Sakhalin and the northern Soviet Union are expected to join the consortium in several years, the sources said.

Oil refining outfits may also join the organization eventually, they added.

The establishment of the consortium is aimed at making the Soviet oil industry more competitive internationally as the country moves toward a market economy, the sources said.

Government-controlled oil production has been decreasing in recent years because of low worker productivity and obsolete equipment due to fund shortages.

The birth of the giant consortium in the Soviet Union, the world's largest producer of crude oil, is expected to have a profound impact on the international oil market, which has long been controlled by Western oil majors and Middle East oil-producing countries.

The latest available figures show the Soviet Union produced 12.5 million barrels of crude oil a day in 1987, with western Siberia accounting for 66 percent of the total.

The sources said 12 national oil enterprises in the region, such as Nizhnevartovsk and Surgut, were scheduled to sign an agreement on the merger on August 23, but the signing was postponed because of last month's failed coup.

The companies earlier this month reapplied for approval from the Russian Republic and other authorities on the merger plans, they said.

Under present plans, the consortium will take 30 percent of the oil production and supply the rest to the Soviet Government and the Russian Republic, the sources said.

Ministers Leave for Europe, U.S. Talks

*OW1109063391 Tokyo KYODO in English 0532 GMT
11 Sep 91*

[Text] Tokyo, Sept. 11 KYODO—Japan's trade and farm ministers left on Wednesday for weeklong trips to Europe and the United States for rounds of multilateral and bilateral trade talks with senior officials of other major economies.

Eiichi Nakao, minister of international trade and industry, went to Paris to attend the annual quadrilateral trade talks with representatives from the United States, Canada, and the European Community (EC), to be held at Angers, northwest of Paris, from Thursday to Friday.

The talks are likely to focus on the stalled Uruguay Round of global trade negotiations and the turbulent situation in the Soviet Union, government sources said.

During his stay in Paris, Nakao will hold bilateral talks with Frans Andriessen, the EC Commission's vice president for external relations and trade policy, U.S. Trade Representative Carla Hills, and Canadian International Trade Minister Michael Wilson.

He will leave Paris for Washington on Sunday to meet U.S. Commerce Secretary Robert Mosbacher, Federal Reserve Board Chairman Alan Greenspan, and other government officials.

Motoji Kondo, minister of agriculture, forestry, and fisheries, also left Wednesday for Geneva, where he will hold talks with Arthur Dunkel, director general of the General Agreement on Tariffs and Trade (GATT).

During his meeting with the GATT chief on Friday, Kondo will explain Japan's policy of self-sufficiency in rice, under fire from other nations as being partly responsible for the impasse in the global trade talks.

Before returning home on Wednesday of next week, he will also attend an international gathering on forestry to be held in Paris on Tuesday.

Official Calls for Caution on Aid to Baltics

*OW0909190991 Tokyo KYODO in English 1104 GMT
9 Sep 91*

[Text] Tokyo, Sept. 9 KYODO—The Japanese Government should carefully weigh the changing political and

economic situation in the newly-independent Baltic states before extending aid, a top Finance Ministry official said Monday.

The official, speaking on condition of anonymity, said uncertainties remain over the economic condition of Latvia, Estonia, and Lithuania, as well as concern over how Soviet assets and international debts will be divided among them.

He said Japan is not in a position to unilaterally decide the kind of technical assistance required by the states.

Concerning their possible applications to join the International Monetary Fund (IMF) and the World Bank, the official said they should be allowed first to join the World Bank before joining the IMF.

He said he instructed ministry officials to consider a Japanese response to the Baltics' applications to join the IMF as well as the European bank for reconstruction and development.

Lithuanian Nuclear Power Plant Operators Arrive *OW1009141391 Tokyo KYODO in English 1223 GMT 10 Sep 91*

[Text] Fukushima, Sept. 10 KYODO—Operators of a Lithuanian nuclear power plant visited the Tokyo Electric Power Co.'s plant on Tuesday to exchange information on emergency procedures at nuclear plants.

Five officials of the Ignalina nuclear power plant will study emergency operations at the No. 1 Fukushima plant until Friday, said officials of the Japanese company.

The visit by the Lithuanian officials is taking place under the auspices of the World Association of Nuclear Operators (WANO).

The organization, founded three years after the 1986 Chernobyl nuclear power plant disaster, facilitates exchanges of information among the world's nuclear power plant operators in order to prevent similar calamities.

The Ignalina plant is the only nuclear power facility among the three newly independent Baltic states of Estonia, Latvia, and Lithuania.

NHK Interviews Hungarian Prime Minister *OW1109185691 Tokyo NHK General Television Network in Japanese 1200 GMT 10 Sep 91*

[Interview with Hungarian Prime Minister Jozsef Antall by NHK announcer Miyuki Morita, from the "News 21" program—recorded; place and date not given; Antall speaks in Hungarian with Japanese subtitles; Morita asks questions in Japanese]

[Text] [Begin recording] [Morita] How do you view the coup d'etat against Soviet President Gorbachev, who is considered to have made the greatest contribution to East Europe's democratization, and the rapid changes occurring within the USSR following the coup?

[Antall] Presently, Yeltsin holds the greatest power in the Soviet Union; however, Gorbachev, who enjoys international confidence, is still indispensable. The two men know that cooperating with each other is necessary during this transition period. The new Soviet Union will be a loose federation of states similar to the British Commonwealth.

[Morita] Why have you recognized the independence of the three Baltic states at such an early stage?

[Antall] Like Hungary, the three Baltic states had been under Soviet control for a long time. As a country having a common history, we immediately recognized their independence. If other republics in the USSR would like to establish independent diplomatic relations with us, naturally we will have to consent. The right to self-determination of the various nationalities in the USSR cannot be violated. The same goes for our neighbor, Yugoslavia, which is being torn by conflict. The right of self-determination should be respected in all multiracial states.

[Morita] The Soviet Union is calling for an economic federation, or economic cooperation, not only with the republics in the Union, but also with foreign states. How would Hungary respond to this?

[Antall] The Soviet proposal on economic federation is not any different from the old CEMA. Hungary will never participate in such a federation with the USSR. East Europe should develop its economic sphere in two directions: first, by having economic ties with the various Soviet republics, separate from the USSR. This, however, does not in any way mean a strong alliance like that in the past. Second, by strengthening economic ties with the West. Like Czechoslovakia and Poland, we would also like to join the EC. [end recording]

[Morita] Prime Minister Antall is presently visiting Japan to promote economic cooperation between Japan and Hungary. When asked about his impressions of Japan, he answered that both the business and political sectors seem to be giving top priority to the avoidance of risk. He hoped that Japan will take more positive action in contributing to the building of a new world order.

Antall Comments on Talks

*LD1009131891 Budapest MTI in English 1210 GMT
10 Sep 91*

[Text] Tokyo, September 10 (MTI)—Japan is ready to provide medium- and long-term financial support to Hungary, with bilateral co-operation which also covers cultural themes, said Hungarian Prime Minister Jozsef Antall at a news briefing today after concluding four days of talks.

Speaking to journalists, Antall said, "We are to reschedule our debts, but only the terms so we can continuously repay them." He spoke about extension of the Japanese Eximbank's credit line, the 400 million USD export credit guarantee for two more years and

Japan's readiness to deliver Hungarian foodstuffs to third countries—particularly the Soviet Union and its republics.

Also discussed were global issues, the European crises and the Yugoslav question. "Our Japanese partners understand that Hungary looks to the European Communities in its foreign policy and external economic strategy," he said.

"Our commitment to European integration and the transatlantic connection does not imply excluding Japan. Alongside Europe and North America, Japan should participate in central and eastern Europe affairs," Antall said.

Regarding the Yugoslav crisis, the Hungarian prime minister charged that an unconstitutional and uncontrolled army conducts military operations in close cooperation with Serbian guerillas, the Chetniks. Serbian nationalists who refuse to recognize the internal borders are the last strongholds of communism in Europe.

The Hungarian delegation and the prime minister will leave for Paris and sign the French-Hungarian general agreement later today. After Antall flies to the European Parliament in Strassbourg.

Government To Postpone South Africa Decision

OW1209031691 Tokyo KYODO in English 0208 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—Japan will postpone a decision on the lifting of economic sanctions against South Africa until after balloting to choose nonpermanent members of the United Nations Security Council this fall, government sources said Wednesday night.

Japan hopes to be elected as a nonpermanent member for the seventh time and the decision to lift the sanctions will be delayed to avoid criticism from African nations opposed to lifting the sanctions, the source said.

The balloting to choose the UN Security Council's nonpermanent members is usually scheduled between mid-October and early November.

The government takes the view that South Africa has progressed toward abolishing apartheid and consequently eased restrictions on personnel exchanges in June.

It also planned at the end of July to abolish a ban on the import of pig iron and steel materials from South Africa following the July 15-17 London summit of leaders of the seven major industrialized nations.

But the government decided to postpone the decision as the African National Congress, the main opposition group to the white-minority government, signaled it would not approve of Japan prematurely lifting sanctions.

Japan's two-way direct trade with South Africa in 1990 was estimated at 3.3 billion U.S. dollars, making it the fifth-largest trading partner of that country after Britain, Germany, the United States, and Italy. If sanctions are

lifted, bilateral trade is likely to double in two years, a South African official said in Tokyo in July.

S. Korean Envoy Cautions About DPRK Ties

OW1109150891 Tokyo KYODO in English 1349 GMT 11 Sep 91

[Text] Tokyo, Sept. 11 KYODO—South Korean Ambassador to Japan O Chae-hui on Wednesday urged Japan to exercise caution in considering official recognition of the North Korean Government.

Calling upon Vice Foreign Minister Hisashi Owada, O asked Japanese officials to proceed "prudently" on the matter, echoing Seoul's concern that premature recognition by Japan may undermine its own relations with Pyongyang. Foreign Ministry officials said.

O explained Seoul is trying to promote stability on the Korean peninsula through dialogue between North and South.

He asked Japan to keep in mind North Korea's refusal to date to allow international inspections of its nuclear facilities, and Tokyo's own normalization talks with Pyongyang, the officials said.

Owada reassured the ambassador Japan's consideration of recognizing Pyongyang was a technical concern based on the likely seating later this month of North and South Korea in the United Nations and the bilateral normalization talks.

Defense Agency Minesweeper Completes Gulf Task

OW1109130891 Tokyo KYODO in English 1209 GMT 11 Sep 91

[Text] Tokyo, Sept. 11 KYODO—The Defense Agency announced Wednesday that a Japanese minesweeping unit has completed its mine-clearing operation in the Persian Gulf after disposing of a total of 34 Iraqi-laid mines.

The agency also said the four minesweepers and two support ships have separately left waters off Kuwait for Abu Dhabi in the United Arab Emirates and Salman, Bahrain, for supply and repair.

The Japanese minesweeping unit is to leave the Persian Gulf later this month and is expected to return to Japan at the end of October, the agency said.

Capt. Taosa Ochiai, commander of the Japanese group said last Thursday at a press meeting in Kuwait City that safe passages to Kuwait ports have been essentially restored by multinational efforts to remove mines laid by Iraq during the Gulf war.

Minesweepers from 12 nations removed a total of 1,260 mines from Gulf waters, 60 more than Iraq declared it had laid, the commander said.

The Japanese task force, which left Japan in late April in the first overseas nontraining mission of the maritime self-defense force, began operations in the Gulf on June 5.

Mieno Rules Out Cut in Discount Rate*OW1209075991 Tokyo KYODO in English 0712 GMT
12 Sep 91*

[Text] Tokyo, Sept. 12 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Thursday the central bank sees no need to change its monetary stance because the Japanese economy remains in good shape and inflation is not fully under control.

Mieno told a regular press conference that the bank will "stick to the current monetary policy which puts the top priority on price stability."

His comments came as a damper on growing speculation that the central bank is poised for another cut in the official discount rate following its recent "tankan" survey on business conditions, which showed an unmistakably weakening economy.

The bank last cut the key lending rate, which it charges on loans to banks, on July 1 by half a percentage point to an annual 5.5 percent.

The central bank chief said the economy, though not growing as fast as before, is generally healthy enough.

"I have not changed my view that the chances are scant that the economy will stall abruptly," he said.

Another factor against a policy change is prices, particularly consumer prices, which he said "are resisting falls."

"We cannot be too optimistic over the outlook of the price trend," he said.

Japan's wholesale prices stayed flat in August from the previous month, according to a BOJ report earlier in the day, while a recent report showed that Tokyo-area consumer prices in August rose 96 percent from a year earlier and 0.4 percent from July.

Further on News Conference*OW1209094691 Tokyo KYODO in English 0842 GMT
12 Sep 91*

[Text] Tokyo, Sept. 12 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno said Thursday the central bank's monetary policy is hitting the target by leading the Japanese economy to a "soft landing."

But he added the BOJ will continue to keep a close watch on economic conditions both at home and abroad, including the growing concerns in domestic business circles about the strength of the economy.

The Japanese economy is slowing down gradually, just as the BOJ intended it to do, but shows no signs of crashing, Mieno said.

The economy is heading toward a soft landing and a more well balanced expansion, and there are no factors that require immediate change in the BOJ's monetary policy, he said.

Pointing to the recent quarterly survey of business confidence and other economic indicators, Mieno said both corporate capital spending and consumer spending remains firm.

The labor and commodity markets have eased slightly, but are still tight, he said.

On price trends, Mieno said wholesale prices are stable but consumer prices refuse to fall.

Asked about burgeoning voices of concern about the health of the Japanese economy among the business community, Mieno said, "the corporate mind should always be given close attention."

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said Tuesday that the economy could plunge into a sharp decline if not handled discretely.

Mieno on Thursday stressed that the BOJ will keep its policy focus on price stability, but said it will also keep tabs on the changes in economic conditions both at home and abroad.

"I am neither optimistic nor pessimistic," he said.

Mieno's remarks came amid growing speculation in the financial market that there will be a cut in the official discount rate.

The expectations have caused sharp drops in short-term interest rates.

The rate on the benchmark three-month certificates of deposit (cds) has fallen to 6.9 percent, the lowest level since December, 1989.

Although Mieno gave no hints of easing credit policy any time soon at the press conference, the central banker's words do not always faithfully reflect the BOJ's intentions.

The BOJ last lowered the official discount rate by 0.5 percentage point to an annual rate of 5.5 percent on July 1. The change came only one week after a news conference where Mieno stressed that the BOJ has no plan to change its monetary stance.

That was also about only three weeks after the previous quarterly survey, or tankan, showed the Japanese economy was still in quite a good shape.

Many economists now believe the BOJ will lower the key lending rate shortly.

"That can happen any time now," said Russell Jones, a senior economist at Ubs Phillips and Drew International Ltd.

On the issue of market reform in the wake of recent stock scandals, Mieno said regulations and business practices on the market should be reviewed to promote competition and fair price formation.

But he added that any reforms should also help "the market mechanism function adequately."

A governmental advisory panel on administrative reforms is expected to submit its recommendations on the issue to Prime Minister Toshiki Kaifu on Friday.

Mieno, however, emphasized that the securities industry itself should be more active in the efforts to revamp the securities market.

Bank Governor Says Economy Not To 'Stall'

*OW0909190791 Tokyo KYODO in English 0933 GMT
9 Sep 91*

[Text] Kobe, Sept. 9 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Monday there is little chance the Japanese economy will "stall," but admitted that the nation's economic growth is moderating.

Mieno was commenting on the BOJ's quarterly survey published last week during a meeting with local political and business leaders in Hyogo Prefecture, western Japan, bank officials said.

Hyogo Prefecture Gov. Shunpei Kaibara, and 22 other leaders attended the talks, the officials said.

Mieno told the group that the survey showed business confidence is continuing to fade and that the nation's economic growth has slowed since the autumn of 1990.

Mieno said, however, that business sentiment remains stronger than in past business cycles.

The bank chief also said the prospects for price trends amid the continuing manpower shortage remain cloudy, noting that consumer prices have been recording 3 percent year-on-year rises.

He said the BOJ will maintain a cautious monetary policy with an emphasis on price stability.

Mieno was more optimistic about business investment, citing a BOJ survey which showed planned capital spending by major companies in fiscal 1991 was up 7.9 percent from the previous year.

Mieno, responding to calls for easier credit, said the bank will continue to exercise caution while monitoring economic trends.

Mieno Comments Further on Economy

*OW1009050391 Tokyo KYODO in English 0436 GMT
10 Sep 91*

[Text] Osaka, Sept. 10 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Tuesday the Japanese economy is healthy enough to allow the central bank to stick to current monetary policy.

"The economy, though losing speed, remains at high levels. There is no possibility the economy will stall abruptly or take a dramatic downturn," he told an Osaka press conference.

"We have not changed our monetary stance of putting top priority on price stability."

His comments threw cold water on hopes for another cut in the official discount rate which have proliferated since last week when the BOJ's "Tankan" quarterly survey of Japanese business conditions showed an unmistakably weakening economy.

The benchmark rate, which the central bank charges on lending to banks, is 5.5 percent after half a percentage point cut July 1.

Mieno admitted the survey showed diminishing confidence in the economy but quickly added economic activity is still brisk compared with past economic booms.

He also said active capital spending and steady corporate profits will underpin the economy.

The Tankan found that the percentage of companies seeing business conditions as good outweighed by 27 points the percentage of companies describing them as poor, down from a 36-point margin in the previous survey.

Mieno also dismissed the prevailing concern that the foundering stock market will entail a credit crunch.

But he warned of possibly negative impact on corporate financing of a flood of expiring securities issuing companies have to redeem. According to one study, the redemption is expected to amount to 10 trillion yen in fiscal 1992 and 1993.

Turning to recent financial scandals, the central banker said they resulted from unsound management "preoccupied with quantitative growth."

The central bank, he said, will beef up scrutiny over financial institutions to prevent a repeat of wrongdoing.

Business Leaders Urge BOJ Head To Ease Credit

*OW1009215691 Tokyo KYODO in English 1204 GMT
10 Sep 91*

[Text] Osaka, Sept. 10 KYODO—Japan's business leaders called for another cut in the central bank's official discount rate at a get-together on Tuesday in Osaka with the Bank of Japan [BOJ] Governor Yasushi Mieno.

Osamu Uno, chairman of the Kansai Economic Federation, said the central bank should never miss a chance to cut its base rate.

Some other businessmen requested the rate be cut by 0.5 percentage point early in fall.

In response to these voices, Mieno said, "The BOJ will maintain its policy focusing on price stability, but excessive economic slowdown must be avoided."

The governor repeated his stance that it is important to make the nation's economy stable, to moderate growth so as not to cause inflation.

Referring to the financial scandals, Mieno emphasized the importance of financial firms' sound management based on a principle of self-responsibility.

He said it is also important for an individual customer to take the responsibility for his own fund management in the brokerage market.

Speaking of the current fixed stock commission rate system, which is claimed to have partly contributed to loss compensation by securities houses, Mieno hinted at the necessity to consider liberalization of the commission.

Finance Minister Ryutaro Hashimoto has already disclosed at the Diet session the ministry's intention to consider whether to liberalize the commission.

Kaifu Urges Passage of Political Reform Bills

OW1109130991 Tokyo KYODO in English 1145 GMT 11 Sep 91

[Text] Tokyo, Sept. 11 KYODO—Prime Minister Toshiki Kaifu repeated his call for opposition parties Wednesday to cooperate with the government in enacting a package of political reform bills in the current extraordinary session of the Diet.

Kaifu made the demand at a plenary session of the House of Representatives in response to questions by opposition members.

He said the government and the ruling Liberal Democratic Party (LDP) have submitted to the Diet three political bills to realize true parliamentary democracy centered on political parties.

The main points of the bills include introduction of a combination of single-seat election districts and proportional representation districts to the powerful Lower House.

One bill is to revise the election law, the second to change the political funds law, and the third deals with political parties.

Under the proposals, the current 130 multiple-seat constituencies in the lower chamber would be converted to 300 single-seat constituencies. The remaining 171 seats would be decided through a proportional representation system.

The current system distributes three to five seats each to the 130 electoral districts.

All opposition parties have vowed to scrap the bills, saying they would only benefit the LDP.

Kaifu stressed the importance of having ethical politicians in office to eradicate political scandals such as bribery.

LDP Approves Plan on Securities Law

OW1009045491 Tokyo KYODO in English 0416 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—The ruling Liberal Democratic Party (LDP) approved the Finance Ministry's proposal Tuesday to revise the Securities and Exchange Law to include penalties for engaging in loss compensation schemes, party officials said.

The LDP's Executive Council and Policy Deliberation Commission of the Policy Affairs Research Council approved the proposal, which forms the basis of legislation to be submitted to the current Diet session.

The proposal was endorsed earlier Tuesday by three financial panels of the party.

It is expected to be approved by the cabinet Friday for presentation to the Diet.

The LDP approved the proposal after obtaining assurances from the Japan Securities Dealers Association that "loss compensation" will be clearly defined.

The proposal calls for a total ban on unfair kickbacks by brokerages to clients and on discretionary accounts, which give brokers sole authority to make investment decisions without notifying clients.

Under the proposal, brokers which pay compensation for investment losses will face imprisonment of up to one year or fines of up to 1 million yen. Investors who ask for and receive unfair refunds could be jailed for up to six months or fined up to 500,000 yen.

Some LDP officials expressed concern that punishment could apply to normal transactions because, in their view, "loss compensation" is not clearly defined.

Officials of the Japan Securities Dealers Association briefed the panels on its proposed voluntary rules defining "loss compensation" and assured them that normal transactions would be exempted from punishment.

Under the proposal, punishment would apply in stages.

Violators of the industry group's rules would be punished by the group.

Those involved in unfair compensation schemes would be subject to administrative punishment and those involved in extremely unfair schemes would be liable to criminal punishment under the Securities and Exchange Law.

Firms Outline Compensation Rules

OW1009063091 Tokyo KYODO in English 0552 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—The Japan Securities Dealers Association on Tuesday published an outline of proposed voluntary rules defining "loss compensation" for clients through bond trading as mass transactions in a short period of time.

The rules provide no specifics in the definition, however.

The industry group's action followed approval by the ruling Liberal Democratic Party of a Finance Ministry proposal to revise the Securities and Exchange Law, including penalties for engaging in loss compensation schemes.

Brokerages have compensated selected clients for market losses mostly through bond trading.

The proposed rules, intended to provide guidelines on the kind of transactions constituting loss compensation, require a constant publication of bond trading prices.

The rules make all bonds with a par value of 10 million yen subject to the existing restrictions on buying and selling beyond a certain price differential.

In the field of securities underwriting, the rules limit the number of shares or value to be distributed to an investor.

As for payment to settle brokerages' trouble with investors, the industry group will make further studies and seek approval from the Finance Ministry.

Brokerages say they plan to ask for mediation on the question by a third-party group in the industry group.

The proposed revision of the securities and exchange law defines "loss compensation" as "reimbursing (clients) for losses or for shortfalls in profits" but gives no specifics.

Panel To Propose Semi-Independent Regulator

OW1209015591 Tokyo KYODO in English 0052 GMT 12 Sep 91

[Text] Tokyo, Sept. 12 KYODO—A government advisory panel will propose the creation of a semi-independent securities regulator as part of efforts to prevent stock market abuses, government sources said Thursday.

But the proposed body, tentatively called the Financial Examination Committee, is a compromise between the panel, which originally desired a powerful watchdog group, and the Finance Ministry which fears of losing say over the securities industry, the sources said.

The recommendation, compiled by the Ad Hoc Commission on Administrative Reform, will be presented to Prime Minister Toshiki Kaifu Friday.

The core of the proposal, approved at Wednesday's meeting, is the formation of a regulating body affiliated with the Finance Ministry on the basis of a representative system.

The body, though given semijudicial authority such as the ability to conduct investigations, is not to be independent of the ministry.

Some of the authority to order probes and the right to take disciplinary measures is left up to the ministry.

Some members of the commission, headed by Eiji Suzuki, former president of the Japan Federation of Employers' Associations (Nikkeiren), had called for putting more teeth into the proposed body.

Other pillars of the proposal include decontrol of broker fees and overhaul of the license system.

Japan's brokerage commissions are currently fixed, a fact seen as partly responsible for recent kickback scandals.

Critics charge that the system limits competition among brokers, thus making them compete in ways such as compensating investors for trading losses.

The license system is also criticized as hampering entry by prospective brokerages.

The panel will also suggest increased self-regulation in the securities industry, more transparent administrative policy, particularly the ministry's administrative guidance and directives which are not legally binding, but often accepted by the industry.

Electric Power Workers Union Backs DSP

OW1009054291 Tokyo KYODO in English 0425 GMT 10 Sep 91

[Text] Osaka, Sept. 10 KYODO—The 228,000-member Confederation of Electric Power-related Industry Workers' Union of Japan, remained neutral in political backing, formally decided Tuesday to support the middle-of-the-road Democratic Socialist Party (DSP).

The powerful confederation has generally taken a neutral position in supporting political parties, although the Federation of Electric Workers's Unions of Japan, under the umbrella of the confederation, has expressed support for the DSP, the No. 4 opposition party.

The 1991 political activity plan, adopted at a regular confederation meeting in Osaka, vows to promote the expansion of DSP-centered political forces.

Officials said they determined to support the DSP as they consider it crucial to strengthen political activities to tackle challenges facing the electric power industry, including nuclear power issues.

The confederation also decided to dissolve four umbrella federations, including the Federation of Electric Worker's Unions of Japan, and the Japan Electrical Construction Labor Federation, for the sake of reform by September 1993, officials said.

Diet Approves Bill To Convene Jan Session

OW1109024691 Tokyo KYODO in English 0157 GMT 11 Sep 91

[Text] Tokyo, Sept. 11 KYODO—The Diet on Wednesday approved a bill revising the Diet law to convene its regular annual session in January instead of December.

The House of Councilors unanimously passed the bill at a plenary session and also approved a revision of the Finance Law calling on the government to submit the national budget plan to the Diet in January.

Although the Finance Law stipulates the government submit a budget plan to the Diet in December, the government for years has been submitting the budget plan in January.

The next regular Diet session is expected to convene on January 20.

The House of Representatives passed the bill last Friday.

In 1971, Kenzo Kono, then president of the Upper House, proposed revising the Diet Law to convene its regular session in January, saying it was wasteful to convene the 150-day ordinary session in December because the Diet immediately takes a one-month year-end and New Year recess.

North Korea

Delegate Rejects IAEA Inspection Demand

OW1209133191 Tokyo KYODO in English
1313 GMT 12 Sep 91

[Text] Vienna, Sept. 12 KYODO—North Korea rejected Thursday demands it comply with inspection standards of the International Atomic Energy Agency (IAEA) in Vienna, where a regular meeting of the agency's board of governors is being held.

The board earlier adopted a resolution demanding North Korea ratify IAEA nuclear safeguards and open its suspect facilities to IAEA inspection.

The North Korean representative to the Vienna meeting, however, told reporters Pyongyang will not sign the safeguards agreement as long as U.S. nuclear weapons stationed in South Korea pose a threat to the North.

North Korea has signed the Nuclear Nonproliferation Treaty which specifies signatories comply with the IAEA standards but Pyongyang has steadfastly refused to allow inspection of its facilities.

Pyongyang has indicated in the past it would comply with the IAEA standards but always with the condition that American nuclear weapons be withdrawn from South Korea. The United States neither confirms nor denies it has such weapons in the South. According to sources attending the IAEA meeting, the North Korean representative said earlier it is regrettable that some countries submitted an "unreasonable" resolution to "apply one-sided pressure" on North Korea.

The representative also demanded withdrawal of the resolution, warning that its adoption will cause more difficulty in concluding the treaty.

The resolution, however, was adopted later in the day, winning support from 27 countries out of a total of 34. China and five other countries abstained, while Cuba voted against it.

The representative said after its adoption that the resolution is "a violation of sovereignty" and that "the threat of U.S. nuclear weapons is ignored when it is not yet solved."

He said if the IAEA demands the conclusion of the treaty, it should first discuss the withdrawal of U.S. nuclear weapons from South Korea.

And he proposed to hold an official meeting between the North Korean and U.S. Governments in Vienna or Geneva.

U.S., South 10 Sep Military Exercises Noted

SK1209052291 Pyongyang KCNA in English
0435 GMT 12 Sep 91

[Text] Pyongyang September 12 (KCNA)—The U.S. Pacific Air Force Command staged military exercises in the sky above Oeyon Island, Chonju and Yaju of South Korea on September 10 to test the performance of overseas based nuclear-capable F-16 fighter-bombers and increase the joint strike capacity against targets in the strategic depths of the northern half of Korea, according to military sources.

On the same time, the U.S. Pacific Air Force Command and Navy Command launched air and ground joint strike exercises against our side in coordination with the U.S. Air Force stationed in South Korea and the puppet air force of South Korea in the sky above Wonju, Chongju and Anmyon Island.

Meanwhile, the South Korean puppets committed offensive operation exercises against the North in the sea off Anmyon Island and in Samchok, Tongduchon and Pochon.

More than 700 military planes were mobilized in the exercises that day.

PRC Paper Runs Editorial on DPRK Founding

SK1109061691 Pyongyang KCNA in English
0428 GMT 11 Sep 91

[Text] Pyongyang September 11 (KCNA)—Chinese PEOPLE'S DAILY Monday dedicated an editorial to the 43rd founding anniversary of the Democratic People's Republic of Korea.

It is an urgent desire of the entire Korean people to achieve the peaceful reunification of Korea at an early date, the editorial said, and continued:

China supports the proposal to reunify the country by means of confederacy based on one nation, one state, two systems and two governments on the principle of neither side conquering the other or being conquered by the other, the principle which was put forward by President Kim Il-sung, and supports and praises the Korean Government's decision to enter the United Nations.

The government of China supports the proposal to denuclearize the Korean peninsula set forth by the government of Korea some time ago.

We have always considered that the question of Korea's peaceful reunification should be settled by the Korean people themselves through dialogue and negotiation without foreign interference.

We believe that the protracted division of Korea will eventually be terminated by the active efforts of the

entire Korean people and the cause of peaceful reunification be certainly achieved.

The traditional friendship between the two parties, two countries and two peoples of China and Korea has glorious historic traditions and demonstrates strong vitality. The government and people of China will strive as ever to consolidate and develop this friendship.

French Group Releases 'Korea Is One' Bulletin

SK1109152691 *Pyongyang KCNA in English*
1459 GMT 11 Sep 91

[Text] Pyongyang September 11 (KCNA)—The French committee to support the founding of the Democratic Confederal Republic of Koryo published the September issue of the bulletin "Korea Is One".

The bulletin carried the work of the great leader Presieent Kim Il-song "Let Us Achieve the Great Unity of Our Nation".

In an article headlined "The 43rd Founding Anniversary of the DPRK" it said: With President Kim Il-song founding the Democratic People's Republic of Korea, the Korean people could meet a new historical era, holding high flag of a dignified independent and sovereign state, and Korea, which had suffered an eclipse on the world map for a long time, could emerge in the international arena as a country with equal rights with all the big and small countries of the world.

Mali Head of State Supports Korean Reunification

SK1009063091 *Pyongyang KCNA in English*
0526 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—Amadou Toumani Toure, chairman of the Transitional Committee for the Salvation of People and head of state of Mali, expressed support to the Korean people's cause of reunification when he received credentials from the newly-appointed DPRK ambassador to his country.

Mali is always standing on the side of the Korean people in the efforts for the country's reunification, the chairman noted, and said: Korea must be reunified in her people's interests.

Recalling that Mali and Korea have developed the cooperative relations in different domains for many years, he hoped the friendly and cooperative relations between the two countries would grow stronger and develop in the future.

Chinese, Soviet, Finnish Delegations Arrive

SK1009072791 *Pyongyang KCNA in English*
0608 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—A delegation of the Chinese Olympic Committee headed by its chairman He Zhenliang who is vice-president of the International Olympic Committee; a delegation of the Pori branch of the Finland-Korea Association headed by

its Chairman Aarre Makela; a delegation of the Philosophy Institute of the Academy of Sciences of the USSR headed by its deputy director Dmitriy Gribanov; and a delegation of the Institute of Oriental Studies of the Academy of Sciences of the USSR headed by Yuriy Vanin arrived in Pyongyang Monday.

Japanese, U.S. Delegations Arrive

SK1109053191 *Pyongyang KCNA in English*
0447 GMT 11 Sep 91

[Text] Pyongyang September 11 (KCNA)—Arriving here Tuesday were a delegation of the Miyagi Prefectural Dietmen's League for the Promotion of Japan-Korea Friendship led by Chairman of the Miyagi Prefectural Assembly of Japan Nobuo Onodera, Professor Shunichi Nishimura of the Tokyo University of Liberal Arts, Japan, a delegation of the Presbyterian churches of the United States led by Clifton Kirkpatrick, a delegation of the federation of Korean businessmen in the United States led by its Chairman Kim Chon-yong and a home-visiting group of Korean residents in the United States led by Chang Su-chol.

Open Forum for Japan-DPRK Ties Held in Tokyo

SK1109051791 *Pyongyang KCNA in English*
0432 GMT 11 Sep 91

[Text] Pyongyang September 11 (KCNA)—An open forum for the promotion of the normalization of Japan-DPRK diplomatic relations was held in Tokyo on September 2 and 3 under the sponsorship of the council for the improvement of Korean policy, according to a KNS [Korean News Service] report from Tokyo.

Many sponsors spoke at the forum.

Hajime Ishii, chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and Liberal-Democratic member of the House of Representatives, said that the United States and South Korea are opposed to the improvement of Japan-DPRK relations and that, under this situation, the Japanese Government needed a political decision to overcome it.

Mikio Sumiya, former president of Tokyo Women's University, demanded a positive switchover in the approach of the Japanese Government to the Japan-Korea negotiations.

Takako Doi, former chairperson of the Central Executive Committee of the Japan Social-Democratic Party, said that stress must be laid not on differences but on commonness and this commonness be expanded at the Japan-DPRK negotiations.

Makoto Tanabe, chairman of the Central Executive Committee of the Japan Social-Democratic Party, said that the Japanese Government should act at the negotiations in a dignified manner, not reading South Korea's face.

Recalling that the Japanese side raised the issue of an unidentified Japanese woman, he said this is hardly understandable.

Other public figures spoke on the subjects "The background of Japan-Korea inter-governmental negotiations and questions at issue," "Japan-DPRK normalization and new Asia" and "Possibility of Japan-Korea economic exchange and tasks."

On this basis Liberal-Democratic member of the House of Representatives Masayoshi Takimura, Social-Democratic member of the House of Representatives Yuzuru Shimazaki, member of the House of Councillors from the Social Democratic Federation Hideo Den, military analyst Tetsuo Maeda and other dietmen and public figures took the floor.

Speakers pointed out that the normalization of DPRK-Japan diplomatic relations would contribute to peace and security of Japan and Korea as well as in northeast Asia and Asia as a whole.

They expressed doubt about "nuclear possession of North Korea" over which the Japanese media are vociferating. In connection with the question of nuclear inspection which was raised at the Japan-DPRK negotiations, they said the demand of the DPRK for a simultaneous inspection of the U.S. nuclear weapons deployed in South Korea is realistic.

They stressed that the Japanese Government should promote the negotiations on the basis of its independent judgement, not acting as demanded by the United States and South Korea, and approach the negotiations with sincerity.

They demanded that the Japanese Government redress its policy towards Korea at inter-governmental negotiations.

They emphasized that the negotiations for the normalization of diplomatic relations should actively be pushed ahead at governmental as well as non-governmental level and, to this end, an all-people movement be waged.

Japanese Jurists Petition for Early DPRK Ties

*SK1009062891 Pyongyang KCNA in English
0533 GMT 10 Sep 91*

[Text] Pyongyang September 10 (KCNA)—Representatives of Japanese jurists including lawyer Shigeru Tokoi and lecturer of the University of Arts in Aichi Prefecture Shigeo Hagiwara called at the foreign ministry on Aug. 29 and handed over to Parliamentary Vice-Minister Suzuki a "statement of the jurists demanding an early normalization of Japan-Korea diplomatic relations" which was signed by 152 prominent jurists of Japan including the chairman of the Japan federation of bar associations, according to a KNS [Korean News Service] report from Tokyo.

The representatives repeatedly stressed that the three-party declaration was an epochal one signifying a new history in the improvement of the Japan-DPRK relations.

They also informed the ministry that, as of the end of July, 1,223 local autonomous assemblies including 34 prefectural assemblies adopted resolutions demanding an early normalization of diplomatic relations with the DPRK. And they demanded that the government rule out unjust pressure from within and without and take a sincere attitude towards negotiation according to its own independent judgement.

Kim Il-song Receives Japanese Prefecture Group

*SK1109153891 Pyongyang KCNA in English
1013 GMT 11 Sep 91*

[“President Kim Il-song Receives Aichi Prefectural Friendship Delegation and Editorial Member of MAIN-ICHI SHIMBUN of Japan”—KCNA headline]

[Text] Pyongyang September 11 (KCNA)—The great leader President Kim Il-song today received the Aichi prefectural friendship delegation of Japan led by Chuji Kuno, former chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and chairman of the Aichi prefectural people's council for the promotion of the Japan-DPRK diplomatic relations, and Yasuhiro [name indistinct], editorial member of MAINICHI SHIMBUN of Japan, who are visiting Korea.

Present on the occasion were Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, and [name indistinct], vice-chairman of the Korean Society for Cultural Relations With Foreign Countries.

President Kim Il-song had a conversation with the guests in a cordial and friendly atmosphere.

The guests presented gifts to him.

President Kim Il-song arranged a luncheon for the guests.

Kim Yong-sun Meets Delegation

*SK1209111191 Pyongyang KCNA in English
1013 GMT 12 Sep 91*

[Text] Pyongyang September 12 (KCNA)—Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, today met and had a friendly conversation with the Aichi prefectural friendship delegation of Japan headed by Chuji Kuno, former chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and chairman of the Aichi prefectural people's council for the promotion of the Japan-DPRK diplomatic relations.

Present there was O Mun-han, vice-chairman of the Korean Society for Cultural Relations With Foreign Countries.

Kim Chong-il Receives Delegation's Gift

*SK1109110091 Pyongyang KCNA in English
1019 GMT 11 Sep 91*

[Text] Pyongyang September 11 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the visiting Aichi prefectural friendship delegation of Japan.

The gift was handed to an official concerned by Chuji Kuno, former chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and chairman of the Aichi prefectural people's council for the promotion of the Japan-DPRK diplomatic relations.

Kim Il-song Receives Namibian Delegation

*SK1209104591 Pyongyang KCNA in English
1010 GMT 12 Sep 91*

[Text] Pyongyang September 12 (KCNA)—The great leader President Kim Il-song today received the government delegation of the Republic of Namibia led by Prime Minister Hage Geingob on an official goodwill visit to Korea.

Present there were Premier Yon Hyong-muk, Minister of External Economic Affairs Chong Song-nam and Vice-Minister of Foreign Affairs Pak Ui-chun.

The head of the delegation conveyed a personal letter and a gift of Sam Nujoma, president of the Republic of Namibia, to President Kim Il-song.

President Kim Il-song expressed thanks for this and conversed with the guests in a cordial and friendly atmosphere.

Yon Hyong-muk Addresses Reception

*SK1109152891 Pyongyang KCNA in English
1504 GMT 11 Sep 91*

[Text] Pyongyang September 11 (KCNA)—The Government of the Democratic People's Republic of Korea arranged a reception at the Mansudae Assembly Hall today for the government delegation of the Republic of Namibia led by Prime Minister Hage Geingob on an official goodwill visit to Korea.

Speaking first, Premier Yon Hyong-muk said that the peoples of Korea and Namibia have waged a common struggle against imperialism and colonialism and are now striving together to build a new society, independent and prosperous, and that the bonds of militant friendship between the two peoples forged in this course are daily consolidating and developing.

Significant meetings between the great leader Comrade Kim Il-song and respected Comrade President Sam Nujoma on several occasions in Pyongyang were the historical occasions which laid a foundation of friendly relations between Korea and Namibia and lifted these relations onto higher stage on this basis, he said, and continued:

The Korean people, who value friendship with the fraternal Namibian people, will make efforts to expand and develop the relations between the two countries in the future, too.

The independence of Namibia, the last stronghold of colony in the African continent, has clearly proved once again the truth of history that no force can block the people's desire for sovereignty and independence and the cause of justice is sure to win victory.

Today the Namibian people under the correct leadership of respected Comrade President Sam Nujoma are displaying high stamina in the struggle to achieve national reconciliation and unity and build rich and powerful, prosperous new Namibia.

He wished the Namibian people greater success in accomplishing their cause of independent development of the country.

Speaking next, Prime Minister Hage Geingob expressed most heartfelt thanks in the name of the Namibian people to the Korean people for rendering firmest and resolute assistance and support to the Namibian people's struggle on the uncompromising principle.

He expressed the belief that the delegation's current visit will make a contribution to further developing the excellent friendly relations existing between the two countries.

It is a noble aim of policy of Namibia to fully support the reunification of Korea, he stressed.

Noting that the Government of the Republic of Namibia fully supports the proposal of the DPRK Government to force all the nuclear weapons out of the Korean peninsula, he demanded that the U.S. Government withdraw its mass destruction weapons from this region at an early date in order to create a condition for easing tension on the Korean peninsula.

He said: I express once again the Namibian Government's firm support to all your efforts to settle the Korean question without interference of any outside forces on the Korean peninsula.

The Namibian Government hopes that bilateral relations between the two countries will steadily expand in many fields.

More Foreign Leaders Send Anniversary Greetings

SK1109150491

[Editorial Report] Following is a compilation of congratulatory messages sent to Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the DPRK, from foreign leaders on the occasion of the 43d anniversary of the founding of the DPRK.

Message dated 1 September and signed by Guillermo Garcia Ponce, secretary general of the Venezuelan New Alternative: "The DPRK has been a reliable bulwark in

defending peace and safeguarding the independence of the people since it was founded." "We sincerely hope that the DPRK people will be victorious in withdrawing nuclear weapons and foreign forces from South Korea and in carrying out a just cause to achieve peaceful reunification of the fatherland." [Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 5 Sep 91]

Message dated 2 September and signed by Suharto, president of the Republic of Indonesia: "On the occasion of the anniversary of the founding of the DPRK, on behalf of the Indonesian Government and people, I wholeheartedly congratulate Your Excellency." "I sincerely hope that the friendly relations between our two countries will continue to develop in keeping with the interests of the two countries."

Message dated 2 September and signed by Sultan Shah Azlan, paramount ruler of Malaysia: "On the happy occasion of the 43d anniversary of the DPRK national day, I warmly congratulate you." "I sincerely hope that the relations between our two countries will be further strengthened in the future."

Message dated 2 September and signed by George Price, prime minister of Belize: "The recent establishment of diplomatic relations between Belize and the DPRK was an expression of the enthusiasm of the people of the two countries for peace and development of the world on the principle of international economy and technological cooperation." "Convinced that the DPRK's desire for UN membership will be realized in the upcoming UN General Assembly, the Belizean Government and people believe that your people will try to achieve reunification on the Korean peninsula." [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 7 Sep 91]

Message dated 4 September and signed by Quett K.J. Masire, president of the Republic of Botswana: "I hope that the good relations between our two countries will be strengthened and developed." "Taking advantage of this opportunity, I wish you long life and good health and wish the Korean people prosperity."

Message dated 4 September and signed by Lieutenant General 'Umar Hasan Ahmad al-Bashir, chairman of the Revolutionary Command Council for National Salvation of the Republic of Sudan: "I am very glad that I can sincerely congratulate Your Excellency and your friendly people on the happy national day of your country. I sincerely hope your country will continue to develop, advance, and prosper."

Message dated 4 September and signed by Anerood Jugnauth, prime minister of Mauritius: "Taking advantage of this opportunity, I sincerely hope that your country will continue to develop and advance." [Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 7 Sep 91]

Message dated 5 September and signed by Captain Blaise Compaore, head of state and head of the government of Burkina Faso: "On the occasion of this meaningful day, I am glad to pay due homage to the brave and determined Korean people, who have won victory in freedom, justness, and democracy." "Highly estimating your original and wise ideology, I extend support to your sustained effort to establish peace on the Korean peninsula and to found a Democratic Confederal Republic of Koryo."

Message dated 5 September and signed by Flt. Lt. Jerry John Rawlings, chairman of the Provisional National Defense Council of the Republic of Ghana: "The great success achieved in every field by the heroic Korean people under your tested and energetic leadership are genuinely worth praising." "I highly estimate the Korean people's cooperation with other countries." "I am convinced that the friendly relations between the governments of our two countries and between the people will be further strengthened and developed in keeping with the principle of mutual benefits and the cause of the world peace." [Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 8 Sep 91]

Message dated 6 September and signed by Vaclav Havel, president of the Czech and Slovak Federal Republic: "On the occasion of the national day of the DPRK, I warmly congratulate you."

Message dated 5 September and signed by Ion Iliescu, president of Romania: "On the occasion of the national day of the DPRK, I wholeheartedly congratulate you and sincerely wish your people peace and prosperity." "I am convinced that the friendly and cooperative relations will be continuously developed in accordance with the interests of the people of the two countries, world peace, and cooperation."

Message dated 7 September and signed by Arpad Goncz, president of the Republic of Hungary: "On the occasion of your country's national day, I congratulate you and the DPRK people." [Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 8 Sep 91]

Message dated 5 September and signed by Budragchaagiyn Dash-Yondon, chairman of the Central Committee of the Mongolian People's Revolutionary Party: "I am convinced that the friendly and cooperative relations between the Mongolian People's Revolutionary Party and the Workers Party of Korea [WPK] and between the Mongolian people and Korean people will be expanded and developed."

Message dated 5 September and signed by Lech Walesa, president of the Republic of Poland: "On the occasion of the DPRK national day, on behalf of the Polish people I wholeheartedly congratulate you and warmly wish the DPRK people success."

Message dated 6 September and signed by Vincent Tabone, president of the Republic of Malta: "On the occasion of the happy 43d anniversary of the founding of the DPRK, on behalf of the Maltese Government and

people, I warmly congratulate Your Excellency, your government, and the DPRK people."

Message dated 6 September and signed by Flavio Cotti, president of Swiss Confederation: "On the occasion of the national day of the DPRK, on behalf of the Swiss Confederal Council, I warmly congratulate you." "At the same time, I sincerely wish your country prosperity."

Message dated 7 September and signed by Kurt Waldheim, president of the Republic of Austria: "On the occasion of the national day of the DPRK, I warmly wish Your Excellency good health, and I wish the DPRK people a happy future."

Message dated 6 September and signed by Olav V, king of the Kingdom of Norway: "On the occasion of the DPRK national day, I extend my sincere congratulations and greetings to Your Excellency, and wish the Korean people prosperity." [Pyongyang Korean Central Broadcasting Network in Korean 0900 GMT 9 Sep 91]

Message dated 9 September and signed by Yasir 'Arafat, president of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization: "Our Palestinian people, who celebrate the anniversary of the founding of the DPRK with the Korean people, wholeheartedly hope that the Korean people will achieve a great success in their struggle for the national target of the Korean people—reunification of the country, advance, and prosperity—under the tested and wise leadership of Your Excellency." "We are very satisfied that the historical friendly and cooperative relations and the ties of militant solidarity have been strengthened and developed." "We are firmly resolved to positively make efforts to further consolidate the firm comradely relations between the Palestinian and the DPRK people, in keeping with the common interests and goal for advance, prosperity, peace, and stability in our two countries and rest of the world."

Message dated 5 September and signed France Albert Rene, president of the Republic of Seychelles: "I am convinced that the good, friendly, and cooperative ties between our two countries will be further strengthened in the future."

Message dated 5 September and signed by Veerasamy Ringadoo, governor general of Mauritius: "On the occasion of the national day of the DPRK, I warmly wish Your Excellency good health, and wish your friendly people continuous peace, advance, and prosperity."

Message dated 6 September and signed by Felix Houphouet-Boigny, president of the Ivory Coast: "Reaffirming to you that I will make every effort to strengthen the friendly and cooperative relations between our two countries, I express my support to your effort to realize brotherly reconciliation between the Korean people, which will be a base for achieving peaceful reunification on the Korean Peninsula." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 9 Sep 91]

Message dated 5 September and signed by Ali Hassan Mwinyi, president of the United Republic of Tanzania: "Affirming to Your Excellency that our people congratulate you on this historic day, I sincerely hope that a greater advance and success will be effected in your people's struggle."

Message dated 6 September and signed by Gen. Ibrahim Babangida, president of the Federal Republic of Nigeria: "I have watched with deep concern the rapid social and economic growth in your country under your leadership after independence." "I wholeheartedly hope that your country's efforts to ease tension on the Korean peninsula and to achieve peaceful reunification of the country will be realized as soon as possible." "I hope that the close and friendly relations between our two countries will be continuously strengthened and developed."

Message dated 7 September and signed by Punsalmaagiyn Ochirbat, president of the Mongolian People's Republic: "I am glad that the diligent Korean people have achieved greater success in the cause for national growth and development." "I am convinced that the traditional friendly and cooperative relations between our two countries will be strengthened and developed in keeping with the interests of the people of the two countries."

Message dated 7 September and signed by Stipe Mesic, chairman of the Standing Committee of the Socialist Federal Republic of Yugoslavia: "I am convinced that friendly and cooperative relations will continue to develop favorably in keeping with the interests of the people of the two countries and in keeping with the goal to consolidate peace and stability of the world."

Message dated 7 September and signed by R. Venkataraman, president of the Republic of India: "I sincerely hope that the friendly and cooperative relations between our two countries will be further strengthened and developed."

Message dated 7 September and signed by Obiang Nguema Mbasogo, president of the Republic of Equatorial Guinea and founder of the Democratic Party of Equatorial Guinea: "Convinced that the good, friendly, and cooperative relations between our two countries will be further strengthened and developed, I wish Your Excellency happiness and wish the Korean people prosperity."

Message dated 8 September and signed by Najibullah, president of Afghanistan: "The friendly and cooperative relations between the two countries will be further strengthened and developed in keeping with the interests of the people of our two countries." [Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 9 Sep 91]

Message dated 4 September and signed by Ilyas al-Harawi, president of the Republic of Lebanon: "I wish Your Excellency happiness and success in your work and wish the DPRK people prosperity."

Message dated 5 September and signed by Jabir al-Ahmad al-Jabir al-Sabah, amir of the State of Kuwait: "I warmly wish Your Excellency happiness, and I wish the DPRK people prosperity." [Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 9 Sep 91]

Message dated 5 September and signed Robert Mugabe, executive president of the Republic of Zimbabwe: "On the occasion of the 43d anniversary of your national day, the Zimbabwean people express great satisfaction that before our country achieved independence good relations between the two countries were established and have developed." "We are satisfied that the government and people of your people have further consolidated the firm relations between the two countries and that, in particular, your people have cooperated in developing cultural and economic fields in our countries." "I reaffirm our government's firm support to your effort to achieve peaceful reunification on the Korean peninsula." "Your Excellency, I hope that we will continue to cooperate in various international arenas for justice and world peace."

Message dated 6 September and signed by Major Pierre Buyoya, chairman of the Central Committee of the Burundian Unity for National Progress Party and president of the Republic of Burundi: "I support Your Excellency's effort to achieve the independent and peaceful reunification of the fatherland." "I hope that the solidarity and cooperation between our two countries will be further strengthened and developed for the happiness and prosperity of the people of our two countries." [Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 9 Sep 91]

Message dated 2 September and signed by Vere C. Bird, prime minister of Antigua and Barbuda: "I sincerely hope that the DPRK Government and people will make continuous progress."

Message dated 7 September and signed by Ramiz Alia, president of Albania: "I sincerely hope that progress will be made in the work for the well-being of the people and the development of the country." "I am convinced that the friendly and cooperative relations between our two countries and people will continue to strengthen and develop in keeping with the common interests." [Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 9 Sep 91]

Message dated 6 September and signed by Yoweri Museveni, president of the Republic of Uganda: "I highly estimate that your people achieved national liberation and have changed the DPRK, destroyed by the war, into an independent, self-reliant, and self-defensive country under the wise leadership of Your Excellency and the WPK." "I am satisfied that the friendly and cooperative relations between the people of our two countries have been favorably developed." "Reaffirming that the government of the Ugandan National Resistance Movement will positively cooperate with your government in UN General Assembly, international organs, and Non-Aligned Movement, and other international

meetings, I extend firm support for your government's effort to achieve national reunification without the intervention of foreign forces."

Message dated 7 September and signed by Maumoon Abdul Gayoom, president of the Republic of Maldives: "I warmly wish Your Excellency good health and happiness and wish your country peace and prosperity." [Pyongyang Korean Central Broadcasting Network in Korean 0300 GMT 10 Sep 91]

Egypt's Mubarak Sends Greetings

SK1109053791 *Pyongyang KCNA in English*
0443 GMT 11 Sep 91

[Text] Pyongyang September 11 (KCNA)—Secretary of the Presidency of Egypt Raouf Abidin, special envoy of President Muhammad Husni Mubarak, paid a congratulatory call at the DPRK Embassy in his country Monday on the occasion of the 43rd birthday of the DPRK.

The special envoy asked the ambassador to convey the warmest congratulations and greetings of President Muhammad Husni Mubarak to the great leader President Kim Il-song on the occasion of the 43rd DPRK founding anniversary, the national holiday of the Korean people.

Esteemed His Excellency President Kim Il-song is a closest friend of His Excellency President Muhammad Husni Mubarak and people of Egypt, he said.

The shining achievements made by the Korean people in the socio-economic life under the wise leadership of Esteemed His Excellency President Kim Il-song serve as an example for the peoples of Egypt and other developing countries, he added.

He wished Respected President Kim Il-song will always enjoy good health and happiness.

Iranian President's Greetings

SK1209091191 *Pyongyang Korean Central*
Broadcasting Network in Korean 2100 GMT 4 Sep 91

[Congratulatory message sent by 'Ali Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran, to Kim Il-song, general secretary of the Workers Party of Korea and president of the DPRK, on the occasion of the 43d anniversary of the founding of the DPRK—read by announcer]

[Text] Pyongyang

Respected Excellency Kim Il-song, president of the DPRK:

On the occasion of the DPRK's national day, I am very glad to congratulate Your Excellency and the friendly Korean people.

I am convinced that the friendly relations between our two countries will be further deepened and expanded. Taking advantage of this opportunity, I wish Your

Excellency long life and good health and wish the Korean people prosperity and happiness.

'Ali Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran

[Dated] 11 Aug 1991, Tehran

South's Call for Military Buildup Condemned

SK1109070391 Pyongyang KCNA in English
0516 GMT 11 Sep 91

["Bellicose Outburst"—KCNA headline]

[Text] Pyongyang September 11 (KCNA)—The South Korean puppet defence minister, crying over the North's "strategy of reunification by communizing the South", said that the South "can not venture unilateral arms cutback" and "defence expenditure of proper scale is needed for war deterrence," resorting to false propaganda against the North.

Commenting on this, NODONG SINMUN says this revealed the intention of the warmaniacs to reinforce armed forces, increase military spendings and accelerate war preparations to invade the North under the pretext of fictitious "threat from the North".

The news analyst continues:

Not only once have we declared that we have no intention to invade the South and, unilaterally transferred more than 150,000 officers and men of the People's Army to peaceful construction and cut the army by 100,000 men. The U.S. imperialists and the South Korean authorities, however have deployed more than 1,000 pieces of nuclear weapons, some 40,000 U.S. troops and puppet army nearly one million strong in South Korea and scheme to introduce many nuclear capable planes from the United States and decided to continuously increase war expenditure of the puppet army.

Opposing disarmament and stressing the need of military buildup, the South Korean puppet military boss described it as designed for "war deterrence". This is argument of trigger-happy men and sophism to justify war moves.

Never to be tolerated are the treacherous criminal acts of the No Tae-u group which dreams of "unification by prevailing over communism" with armed forces in collusion with aggression troops, stresses the paper.

Daily Sees South's Economy as 'Catastrophic'

SK1209061191 Pyongyang KCNA in English
0509 GMT 12 Sep 91

["Shrill Cry From 'Chongwadae'"—KCNA headline]

[Text] Pyongyang September 12 (KCNA)—No Tae-u recently called a "chief secretaries meeting," at which he hysterically ordered "measures" to be taken, crying out

in alarm that economy has taken a turn for the worse with prices jumping and international payment deficits accumulating.

Noting that No, a shyster who is so shameless as to advertise "extension of human rights" after establishing a murderous rule in South Korea, raised a hue and cry over the economic affairs immediately he moved into the "new main building of Chongwadae," a news analyst of NODONG SINMUN today says:

It is not hard to gather from this that the economic catastrophe of South Korea is very serious and the puppet was quite upset by it.

The catastrophic reality of the South Korean economy is, in fact, very serious. The current payment deficits this year have already gone beyond the 10,000 million dollar mark, the price hike of consumer goods recorded an all-time high in 10 years by the end of August and the economy as a whole is facing bankruptcy.

The bankruptcy of the South Korean economy is an inevitable result of the economic structure dependent on foreign forces and of the anti-popular economic policy.

It is clear that the South Korean economy which entirely depends on other countries for raw and other materials, funds, technologies and markets cannot keep itself going steadily in the present-day complicated international economic relations.

The imperialists' economic pressure and the South Korean authorities' "market opening policy" are precipitating the collapse of the South Korean economy, the news analyst says, adding:

Having brought the economy to such a pass, the No group is never weary of talking about its "growth."

The No group, however, cannot conceal the economic bankruptcy, an offspring of its anti-popular policy of dependence on outside forces.

Merger of South Opposition Parties Noted

SK1109061891 Pyongyang KCNA in English
0522 GMT 11 Sep 91

[Text] Pyongyang September 11 (KCNA)—The opposition New Democratic Party [NDP] and Democratic Party [DP] of South Korea officially declared their merger Tuesday with the "National Assembly elections" and "presidential elections" approaching, a Seoul-based radio reported.

President of the NDP Kim Tae-chung and President of the DP Yi Ki-taek called a joint press conference at the "National Assembly" that day and published a joint declaration announcing the merger of their two parties.

The joint declaration said that the new party will be called Democratic Party and the presidents of the two parties will share the party leadership as co-representatives, and it was agreed upon to register Kim

Tae-chung as the party's representative at the "Election Administration Committee."

Kim Il-song Meets Visiting Koreans From Japan

*SK1009114391 Pyongyang KCNA in English
1041 GMT 10 Sep 91*

[Text] Pyongyang September 10 (KCNA)—The great leader President Kim Il-song today received the congratulatory group and delegations of the General Association of Korean Residents in Japan (Chongnyon) which are staying in the socialist homeland.

Present on the occasion were members of the congratulatory group of Koreans in Japan for celebrating the 43rd founding anniversary of the DPRK headed by Yi Mal-sang, vice-chairman of the Central Standing Committee of Chongnyon; delegations of Chongnyon officials respectively led by Hwang Pyong-tae, director of a department, and Kim Chin-to and Yi Han-su, section chiefs, of Chongnyon Central Standing Committee; and a delegation of young traders and industrialists of Chongnyon led by Mun Hong-son, director of the Samyong Industry Co. Ltd.; a delegation of Korean youth and students in Japan led by Pak Ku-ho, vice-chairman of the Central Standing Committee of the League of Korean Youth in Japan; a delegation of Chongnyon branch officials led by Kim Sang-il; and a home-visiting group of students of Choson University led by Ku Tae-sok.

Yun Ki-pok, Minister for the Reception of Overseas Compatriots Kim Chu-hoe and officials concerned were on hand.

On the 43rd founding anniversary of the DPRK members of the congratulatory group and delegations presented to President Kim Il-song a basket of flowers carrying boundless respect and reverence of entire Chongnyon officials and 700,000 Koreans in Japan and wished him good health and long life.

President Kim Il-song was glad to meet them and had a cordial conversation with them.

He arranged a luncheon for them.

Kim Il-song Gives More On-the-Spot Guidance

*SK1209045391 Pyongyang KCNA in English
0415 GMT 12 Sep 91*

[Text] Pyongyang September 12 (kcna)—The great leader President Kim Il-song gave on-the-spot guidance to work in various domains of the national economy in South Hamgyong Province from August 31 to September 6.

In this period he gave on-the-spot guidance to many units including the general bureau of Yongsong machine industries, the June 1 general electric appliances plant and the Pongdae cooperative farm in Chongpyong County, and gave highly important teachings which will serve as a guideline in further developing the national economy in South Hamgyong Province.

President Kim Il-song gave on-the-spot guidance to the general bureau of Yongsong machine industries.

Seeing round production processes including a large-size machine tool factory, he expressed great satisfaction at the fact that the general bureau of Yongsong machine industries has been turned into a large-size machine production base capable of producing well any ordered equipment that needs high technique, demonstrating the might of the chuche-oriented independent national economy.

Saying that thanks to mighty machine factories like the general bureau of Yongsong machine industries, it was possible to work such a great miracle as successfully completing in a short period of over one month the project of introducing large-size equipment into the Hungnam fertilizer complex and modernizing it, the project equivalent to the construction of a large fertilizer factory, he gave thanks in the name of the Central Committee of the Workers' Party of Korea and the government of the Republic and in his own name to the workers, technicians and office workers of the general bureau of Yongsong machine industries who produced qualitatively in time ordered equipment including a 4,000 hp compressor needed in the project.

He instructed that as more sets of plants are required by grand construction now making brisk headway in all places workers in Yongsong should produce in time various kinds of ordered equipment including a 5,000 hp compressor with the same vim and vigour with which they produced equipment needed for the project of introducing large-size equipment into the Hungnam fertilizer complex and modernizing it and turn out more new machines and equipment including special machines through the machine-tool-begets-machine-tools movement.

He gave on-the-spot guidance to the June 1 general electric appliances plant.

Looking round production sites, he expressed his great satisfaction with the modern electric appliances successfully made by the workers of the plant in the high revolutionary spirit of self-reliance and hard struggle and highly praised their achievements.

Saying that our industries including the rapidly developing machine-building industry need many electric appliances, he taught that the plant should conduct a vigorous technical innovation movement and tap and mobilize inner reserve to the maximum to produce more automation elements and various kinds of electric appliances of good quality.

He said it is a very good thing that the technicians and workers of the plant steadily improved their technical skill and developed new electric appliances.

He gave on-the-spot guidance to the Pongdae cooperative farm in Chongpyong County.

He, looking round rice and maize fields, expressed his great satisfaction with an unprecedentedly bumper crop which the farm has brought in by doing farming well by the *chuche* method of farming.

Chongpyong County, once a sterile land, has been turned into a fertile land and a granary which yields heavy crops every year, he said, and pointed out: This is a proud result of its assiduous efforts to carry through the party's policy on improving soil.

He said that in order to provide our people with more meat and vegetables cooperative farms should extensively breed pigs, ducks and other domestic animals and cultivate vegetables well to increase their production.

He gave on-the-spot guidance to the Sojung cooperative farm in Nakwon County.

Expressing great satisfaction at the fact that the coastal farm where there is a deep sea-fog cultivated well maize to increase its yield, he said the experiences of the farm practically show that coastal farms can increase grain yield if they put farming on a scientific and technical basis to suit climatic and soil conditions.

After seeing newly-manufactured deep-tilling ploughs for rice field, he said if rice fields are deeply tilled and carpeted with humus soil, it is possible to increase its yield further still. He instructed that the work to increase fertility of rice fields should be energetically pushed ahead.

Saying that the great work of irrigation has been completed in the countryside, solid production bases for chemical fertilizers have been built, good seeds suitable to the climate and soil of our country bred through the vigorous green revolution under the guidance of the party, and this has opened a bright prospect of putting our agriculture onto a higher stage he instructed that all the leading officials in the countryside and agricultural working people should turn out in the struggle to attain a new grain target full of optimism and confidence in the future.

Light Industrial Development Progresses

*SK1009155291 Pyongyang KCNA in English
1511 GMT 10 Sep 91*

[Text] Pyongyang September 10 (KCNA)—Light industry is rapidly developing in Korea.

Many light industrial factories have made their appearance and capacity expansion and modernization of existing factories have been accelerated in recent years.

As a result, inter-department structures of the light industry have been further rounded off and its production capacity increased remarkably.

The July 6 ceramic factory, the Tongdaewon and Taedonggang garment factories, the Sosong clothing factory, the Hyangsan general foodstuff factory, the Pyongyang yogurt factory, etc. went into operation.

New spinning and dyeing equipment have been installed at the Korean silk complex to double the spinning capacity of its factories.

An injection-molded shoes production base has been created at the Pyongyang vinyl chloride shoemaking factory to double the production capacity and a modern leather shoes production base was built at the Sariwon shoemaking factory.

The dear leader Comrade Kim Chong-il said:

"Our light industry now supplies for itself light industrial goods needed for food, clothing and housing of the people and its potentials and might is enormous".

There are hundreds of central light industrial factories of all branches operating in Korea.

The central light industrial factories such as textile, shoes, daily necessities and cornstarch factories, etc. which are evenly distributed all over the country massproduce all kinds of light industrial goods including cloth, shoes, domestic goods, articles for cultural use, school things, electronic articles for daily use and food-stuff.

The light industry which began with the production of pencils after the liberation of the country in August 1945, has got vinalon and vinyl chloride industries in the 60s, acrylic and polyethylene industries in the 70s and other new industrial branches, strengthening its *chuche*-character and independence.

Large-scale shoemaking, cornstarch and food processing factories have been built in each province.

The first-stage project of the Sunchon vinalon complex was completed in the 80s and many new factories were built and existing factories were readjusted and replenished, including the construction of the Anju acrylic spinning mill.

Local industry has taken big strides along with central industry.

Over 20 factories which are dependent on solid local raw materials such as clothing, textile and daily necessities factories have been built in all cities and counties so as to meet the local demands for consumer goods for the people by their own efforts.

"August 3 consumer goods" production drive which started in mid-80s brought about an epochal turn in the production of consumer goods.

Tens of thousands of August 3 consumer goods production bases have been built across the country, which gratify more satisfactorily the diverse demands of the people for consumer goods.

KCNA Reviews 12 Sep Pyongyang Press

*SK1209055091 Pyongyang KCNA in English
0459 GMT 12 Sep 91*

[Press Review]

[Text] Pyongyang September 12 (KCNA)—Papers here today frontpage a photo-illustrated report that the great leader President Kim Il-song gave on-the-spot guidance to work in various domains of the national economy in South Hamgyong Province.

Dailies carry a photo-accompanied report that President Kim Il-song received the Aichi prefectural friendship delegation and the editorial member of MAINICHI SHIMBUN of Japan.

Dear comrade Kim Chong-il was presented with a gift by the above-said Japanese delegation, says the press.

According to the press, immortal classical works of President Kim Il-song were studied and disseminated in different countries.

Carried in the press are messages of greetings to President Kim Il-song of the Democratic People's Republic of Korea from foreign party and state leaders on the occasion of the 43rd founding anniversary of the DPRK.

Given in the press is news that Comrade Kim Chong-il's work "Young Men and Women, Be the Young Vanguard Unfailingly Loyal to the Party and the Leader" was reported in different countries.

Voices of the South Korean people longing for the northern half of the country are conveyed in NODONG SINMUN.

Papers give accounts of talks between the Korean and Namibian Government delegations and of a banquet arranged by the Government of the DPRK for the Namibian Government delegation, speeches of Premier Yon Hyong-muk and Prime Minister Hage Geingob at the banquet and reports about the sojourn of the delegation in our country.

Appearing in the press is a report about the second-day sitting of the Seventh Asian ministerial meeting of the Group of 77 in Pyongyang.

Papers spotlight news of bumper crops in the countryside.

NODONG SINMUN informs the readers that a meeting to vow revenge upon the U.S. imperialist aggressors was held at Kim Hyong-chik University of Education and students Pak Song-hui and Song Yong-sung, delegates of the South Korean National Council of Student Representatives, called at the university.

The paper in a commentary denounces No Tae-u's shameless sophism to conceal the bankruptcy of the South Korean economy.

Papers inform the readers that the U.S. imperialists and the South Korean puppets committed ceaseless war exercises against the North.

It is reported in NODONG SINMUN that a department director of the Japanese Ministry of Foreign Affairs declared Japan might exchange views with the DPRK on the denuclearization program, the Chinese party and

state leading officials saw an exhibition exercise summing up the success of the Beijing Military District in military training. Li Ruihuan, member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China, laid emphasis on the justness of the four cardinal principles in socialist construction, a Chinese-British memorandum of understanding on the construction of a new airport in Hong Kong was signed, and the Palestine Liberation Organization laid bare the injustice of the U.S. "proposal for a Mid-East peace conference".

Papers report that the Communist Party of Kazakhstan of the USSR renamed itself the Socialist Party and the Latin American countries signed an agreement on the prohibition of biological and chemical weapons.

NODONG SINMUN deals with economic and cultural achievements in Egypt, Angola, Zambia, Nigeria, Ghana and Madagascar.

South Korea

Minister Admits DPRK 'Given Up' on Marxism

SK1209003891 Seoul YONHAP in English 0021 GMT
12 Sep 91

[Text] Paris, Sept. 11 (YONHAP)—North Korean Deputy Prime Minister Kim Yong-nam has said that his country has virtually given up Marxism as it cannot give an answer to the rapidly changing international situation.

In an interview with the British JANE'S DEFENSE WEEKLY carried in its Sept. 14th editions, Kim also said North Korea had dropped a condition for its signing of the International Atomic Energy Agency's [IAEA] safeguard accord. The condition was removal of U.S. nuclear threat against North Korea.

Kim, who concurrently is the foreign minister, said his government had given up Marxism because it could not be applied to North Korea, whose historical reality was vastly different from Europe, and because it could not give a comprehensive and scientific solution to the rapidly changing international situation.

He said his government decided to withdraw its long-held precondition for IAEA accord signing upon the IAEA's explanation that acceptance of such a precondition was outside the realm of IAEA jurisdiction.

Denying North Korea's capability to produce nuclear weapons, Kim said his country had never sold Scud missiles to Syria or any other Middle East nation.

He reiterated North Korea's reunification formula based on a confederation built on the principle of "one nation, one people, two systems and two governments," and added any attempt by one side of the divided Korean peninsula to overwhelm the other would trigger disputes.

Kim said his government was holding unofficial, secret contacts with the United States on various levels and

that the two nations, despite the current distorted relations, would not remain permanent adversaries.

Further on Minister's Comments

SK1209012591 Seoul THE KOREA HERALD
in English 12 Sep 91 p 1

[Text] London (Special)—North Korea has virtually abandoned Marxism, as a useful tool for its government, North Korean Vice Prime Minister and Foreign Minister Kim Yong-nam said in an interview in Wednesday's edition of JANE'S DEFENSE WEEKLY in London.

"Marxism cannot be applied to present-day realities—especially in the case of our country and its history, which is fundamentally different to Europe... we cannot apply Marxism to our country and Marxism cannot give comprehensive scientific answers to the rapidly changed international situation," he said.

Kim also said North Korea has no capability to manufacture nuclear weapons nor the intention to do so.

He said, however, that Pyongyang would not accept any inspection of its nuclear installations unless the United States "accepts similar inspections and (gives) information about its nuclear presence in South Korea."

North Korea, which has proposed the establishment of a nuclear-free zone in the Korean peninsula, alleges that the U.S. presence includes "one thousand nuclear warheads."

A nuclear expert writing in JANE'S INTELLIGENCE REVIEW last month said that North Korea apparently had the scientific, technological and industrial capacity required to use enriched uranium to make a small rudimentary bomb.

The expert, Joe Bermudez, said there was little doubt that the main objective of the North Korean nuclear program was the production of nuclear weapons.

But Kim Yong-nam told the weekly that North Korea had "no capability to manufacture nuclear weapons" nor "the intention to do so."

Kim also denied allegations that his country had sold Scud missiles to Middle Eastern countries such as Syria.

He said Pyongyang was "heavily burdened" with its defense budget and was "not in a position to sell missiles simply because we have no surplus armaments to sell to the Middle East."

South Scholars View Statement

SK1209093991 Seoul YONHAP in English 0743 GMT
12 Sep 91

[Text] Seoul, Sept. 11 (YONHAP)—When North Korean Vice Prime Minister Kim Yong-nam said his country has given up Marxism, he meant it would hang on to its own way of socialism to shield against the winds of changes reshaping the landscape of socialist nations, experts on North Korean affairs said Thursday.

In an interview with British JANE'S DEFENSE WEEKLY, Kim said the North has abandoned Marxism as it cannot give a solution to rapidly changing international situation and problems unique to his country.

North Koreanologists said the North revised Marxism fit for its own situation in the late 60s, claiming a unique socialism based on President Kim Il-song's *chuche* idea (self-reliance), different from that of China and the Soviet Union.

They said the North would never part with Marxism until it guarantees privatization, the last thing Marxism wanted to see being restored in socialist nations.

Kang In-tuk, director for East Asian Studies Institute, said the specter of Marxism would still haunt the North as long as it is obsessed with class struggle, proletarian dictatorship and a ban on privatization.

"It is my understanding that principal reforms like giving up Marxism are highly unlikely as long as Kim Il-song is in power. At best, reforms would be confined to economics and to foreign policy," he predicted.

Yu Suk-yul, a research commissioner of the Foreign Affairs and National Security Institute, said Kim's remark was aimed at consolidating internal unity in his country under the *chuche* idea and deflating the fallouts from the demise of Soviet communism, where Marxism was employed in staging a proletarian revolution 74 years ago.

"Therefore, the North has not given up Marxism. It has just tailored it fit for its own situation," Yu said.

IAEA Demands North Sign Safeguards Agreement

SK1209135091 Seoul YONHAP in English 1320 GMT
12 Sep 91

[Text] Vienna, Sept. 12 (YONHAP)—The Board of Governors of the International Atomic Energy Agency (IAEA) Thursday adopted a resolution demanding North Korea sign and ratify the nuclear safeguards agreement at early dates despite a strong protest from North Korea.

Following the adoption of the resolution, North Korea's chief delegate, Ambassador-at-Large O Chang-yim, said the resolution placed a new obstacle to the conclusion of the nuclear safeguards agreement between the IAEA and his country.

O made it clear that Pyongyang has no intention to sign and ratify the agreement, by saying that the conclusion of the accord will be "extremely difficult" unless the United States withdraws nuclear weapons from the Korean peninsula.

The IAEA meeting endorsed a draft agreement reached between North Korea and IAEA in July.

The resolution was adopted as North Korea did not show any positive attitude toward an early signing of the accord.

The resolution urged North Korea to sign and ratify the agreement at an early date and fully implement the agreement and report the result to the IAEA's Board of Governors' meeting in February next year.

Of the 34 governor countries, 27 voted for the resolution sponsored by nine countries, including Japan and Australia, on Tuesday, while six countries abstained. Cuba was the only country to vote against the resolution.

O expressed regret at the resolution and alleged that the resolution was tantamount to an act of interfering in North Korea's internal affairs.

Problems Remain in Relocation of U.S. Facility

SK1209093391 Seoul YONHAP in English 0812 GMT 12 Sep 91

[Text] Seoul, Sept. 12 (OANA-YONHAP)—South Korea and the United States are yet to iron out differences on relocating U.S. Embassy facilities within the 8th Army base whose military installations are to move out of Seoul by 1997, a government official said Thursday.

The two countries agreed on July 19 to relocate the army base in Yongsan compound, downtown Seoul, to Osan Air Base and Camp Humphreys in Pyongtaek in the outskirts between 1996 and 1997.

The agreement, however, covers only military facilities and separate negotiations under way between the Foreign Ministry and the United States on relocation of the three American Embassy facilities in the Yongsan compound, the official said.

The U.S. Embassy occupies nearly 80,000 pyong (264,000 sq. meters) within the 923,000 pyong (3.045 million sq. meters) compound which includes housing units for embassy staffs at the South Post, the Embassy Club and transportation facilities.

Negotiations are under way but the two sides are showing differences in opinion, the government official said.

The talks are reportedly snagged by appropriate choice for the relocation and the incurring costs. South Korea will bear nearly 2 billion U.S. dollars in moving the Yongsan military installation to outside the capital.

Soviet Adviser To Visit, Discuss Aid

SK1209035191 Seoul YONHAP in English 0218 GMT 12 Sep 91

[Text] Seoul, Sept. 12 (OANA-YONHAP)—Soviet presidential envoy Vadim Andreyevich Medvedev will visit Seoul next week with a personal letter from Mikhail Gorbachev, the Foreign Ministry said Thursday.

Medvedev, who was appointed presidential advisor for economic affairs soon after the aborted coup, is due in Seoul Sept. 16 to meet with President No Tae-u and other government and economic leaders during his two or three-day stay, according to the Ministry.

Seoul and Moscow will discuss the 3 billion U.S. dollar economic aid package during Medvedev's visit, the Ministry said. The 3 billion dollar package includes 1 billion dollar bank loan, of which 500 million dollars were already delivered. The remaining 500 million dollars were to be loaned during the third quarter of this year but was delayed because of the coup.

The Soviet envoy is expected to deliver messages of appreciation for South Korean Government's support for Gorbachev during the coup and brief officials here on current political situations in Moscow.

Medvedev will be accompanied by Yuriy D. Fadeyev, deputy director-general of the Foreign Ministry's Far East and Indochina countries, and E.P. Gostev, vice chairman of the foreign economic bank.

Soviet Foreign Minister Boris Pankin mentioned Sept. 6 that Gorbachev is planning to send an envoy to South Korea when he met with South Korean Government delegation currently in Moscow.

It will be Medvedev's second visit to South Korea. He made his first visit in November 1990 and relayed Gorbachev's letter to President No Tae-u.

South To Attend Pyongyang River Project Talks

SK1209022191 Seoul YONHAP in English 0142 GMT 12 Sep 91

[Text] Seoul, Sept. 12 (YONHAP)—South Korea will send government officials, including an assistant minister, to Pyongyang for a regional meeting on the Tuman River development project there in mid-October and express Seoul's readiness to take part in the project, government officials said Thursday.

Participants at the meeting, to last a few days from Oct. 18, would discuss a U.N. Development Program [UNDP] plan for the Tuman delta and would include delegates from North Korea, the Soviet Union, China and Mongolia, the officials said.

The UNDP plan envisions a special economic zone, comprising parts of North Korea, the Soviet Union and China in the Tuman River basin and creation of an international body that manages the zone.

The zone could be leased to investors in the same way Hong Kong was leased to Britain and the profits divided among the three countries and whoever provides facilities.

UNDP earned a positive response from China and sent officials to Pyongyang and Beijing last week to encourage them to accept the plan.

UNDP drafted its own plan after the three nations were unable to narrow differences regarding the method of developing the delta in talks in Changchun, China, last month.

During the Changchun conference, China proposed formation of a 1,000-square-kilometer free trade zone linking the North Korean city of Unggi, a Chinese city

and the Soviet port of Poset, but North Korea and the Soviet Union responded with skepticism.

DPRK Says Separate U.N. Seats 'Temporary'

SK1209034991 Seoul YONHAP in English 0240 GMT
12 Sep 91

[Text] United Nations, Sept. 11 (YONHAP)—North Korean first Vice Foreign Minister Kang Sok-chu said Wednesday separate U.N. membership for South and North Korea was temporary and that the Korean membership should be one through negotiations by the two halves of Korea.

Kang, who arrived Wednesday to attend the 46th U.N. General Assembly, said Pyongyang had applied to join the United Nations because it believed the world body was a forum for reunification of the Korean peninsula.

Reiterating North Korea's reunification formula of "one nation, one people, two systems and two governments," Kang said both Koreas ought to open talks on choosing an official country name patterned after a confederation, he said.

Kang said he was ready to meet South Korean representatives, including Foreign Minister Yi Sang-ok, during the U.N. session that begins Sept. 17.

Both Koreas were required to make efforts to solve a plethora of problems after their admission to the world body, said Kang, who was accompanied by Yi Hyong-chol, an expert on disarmament and an official.

The Koreas, divided in 1945, will become the 160th and 161st members of the United Nations.

Korean Trade Fair Planned for Oct in Moscow

SK1209035391 Seoul YONHAP in English 0153 GMT
12 Sep 91

[Text] Seoul, Sept. 12 (YONHAP)—A Korean commodities fair is to be held in Moscow Oct. 24-28 to mark the first anniversary of Moscow-Seoul diplomatic normalization.

The five-day fair at Moscow expo center will feature goods produced by Korea's 23 leading corporations.

Korean National Tourism Corp. is co-sponsoring the event.

Seoul, Taipei Open Fruit Trade Talks

SK1109043091 Seoul YONHAP in English 0255 GMT
11 Sep 91

[Text] Seoul, Sept. 11 (YONHAP)—South Korea and Taiwan opened four days of talks Tuesday in Taipei to discuss expansion of their fruit trade.

High on the agenda of the seventh fruit trade talks is barter promotion as Seoul has already liberalized banana imports, such as a swap of bananas for Korean apples and pears.

Seoul's seven-member delegation was led by Kim Tong-tae, agriculture marketing director at the Agriculture, Forestry and Fisheries Ministry.

Death of North Diplomat Chin Chung-kuk Reported

SK1209093191 Seoul TONG-A ILBO in Korean
12 Sep 91 p 2

[By TONG-A ILBO correspondent Choe Maeng-ho from Geneva]

[Text] It has been learned that Chin Chung-kuk, a leading figure in the North Korean Foreign Ministry, died on 7 September.

A North Korean official, who is attending the conference of the International Atomic Energy Agency, revealed that Chin died of high blood pressure and abnormality of heart.

Chin served as ambassador at the North Korean mission in Geneva for 7 years and was known as one of the two leading North Korean diplomats, together with Han Si-hae, North Korean ambassador to the United Nations.

Textile Exports to Middle East 'Rebounding'

SK1109085891 Seoul YONHAP in English 0605 GMT
11 Sep 91

[Text] Seoul, Sept. 11 (YONHAP)—South Korea's textile exports to the Middle East show clear signs of rebounding from the slump caused by the Gulf War, business sources said Wednesday.

Textile exporters suffered a substantial setback in the Middle East during the first three months of the year, but the situation began to turn around in April.

April saw a 6.5-percent rise in volume after a three-month fall—down 28.2 percent in January, 32.2 percent in February and 14.3 percent in March.

Exports were up 26.4 percent in June from the preceding month, and up 13.2 percent in July.

The rally, however, represents lackluster performance for the textile exporters when compared with their activities a year earlier. The seven-month total is down 5.3 percent from the same period last year.

Participation in Cable Project Announced

SK0409042391 Seoul THE KOREA ECONOMIC
JOURNAL in English 2 Sep 91 p 28

[Text] Korea Telecom recently announced that it will participate in the APC (Asia-Pacific Cable) project which will link Korea, Japan, Hong Kong, Taiwan, Malaysia and Singapore through an undersea optical cable.

For this purpose, the Korean communications authority signed a multinational contract for building, maintenance and after-sales services of the undersea optical cable.

The APC submarine optical cable, at a total cost of \$331 million, will be open by July 1993.

Korea Telecom will invest \$4.29 million in this project and own 450 circuits of the APC.

By country, Hong Kong will have 150 circuits, Singapore 90, Taiwan 60, and Malaysia, the Philippines, Indonesia, Saudi Arabia and Thailand 30 each.

When the project is finished, Korea will have a complete undersea telecommunications system covering the Asian region, officials at Korea Telecom said.

The undersea optical cable features better telecommunications in terms of speed and quality, and can be utilized in computer online communications, data communications and video-conferencing as well as vocal communications (telephone).

Aviation Accord With Brazil Signed

SK1209100491 Seoul YONHAP in English 0846 GMT 12 Sep 91

[Text] Seoul, Sept. 12 (OANA-YONHAP)—South Korea and Brazil initialed an aviation agreement Thursday allowing services with stopovers in the United States, Canada, New Zealand and Australia.

The Foreign Ministry said the two countries were expected to sign the agreement this year.

Renato Pereira, vice president of the International Aviation Studies Commission at the Ministry of Aeronautics, and Kim Yong-kyu, director-general of the Foreign Ministry International Trade Bureau, initialed the accord at the end of three-day negotiations here.

The agreement allows air carriers of the two countries to fly between Rio de Janeiro and Sao Paulo in Brazil and Seoul and Pusan in South Korea.

The airliners will be able to stop over in U.S. cities, including Los Angeles and Dallas, as well as Canada, New Zealand and Australia.

Flights will be increased to three from two a week in April next year when more U.S. cities will be open to Korean airliners following a Korea-U.S. aviation agreement last June. The Seoul-Brasilia accord applies to multiple airlines from both countries.

Students Seek Nonpolitical Contacts With North

SK1109122591 Seoul YONHAP in English 0907 GMT 11 Sep 91

[Text] Seoul, Sept. 11 (YONHAP)—Revolutionary changes sweeping the Soviet Union and former East-bloc nations have apparently prompted reform-minded South Korean students to put reunification of their land in a different perspective.

An increasing number of students in the South are now seeking government approval for their bids to communicate with their counterparts in the North and even the

purposes of their contacts are rapidly shifting from political to academic and athletic.

It is a remarkable change considering that as recently as June two Seoul students made politically motivated visits to Pyongyang without government permission, violating the national security law. The students, dispatched by Chondaehyup [National Council of University Student Representatives], the radical national alliance of student representatives, are still in North Korea.

Some 150 Korean-language majors at Konkuk University applied for government permission to visit Kim Il-song University in Pyongyang from Sept. 26 to Oct. 4 and establish sisterhood relations with the Korean department of the school.

Their application also called for a visit to Mt. Myohang to collect information on the dialect and myths of the region, and to the birthplace of Kim So-wol, the most famous lyric poet in the history of Korean literature.

The National Unification Board [NUB] gave them permission to meet Northern students at the truce village of Panmunjom to discuss their trip on Sept. 18-19.

Yonsei University and Korea University applied for a permit for an inter-Korean student meeting at Panmunjom to invite 500 students from Kim Il-song University to their annual goodwill competition Sept. 30-Oct. 6.

"We see no reason to oppose the invitation because the event between Yonsei and Korea Universities is confined to academic, cultural and athletic programs," an NUB official said on condition of anonymity.

Hanyang University applied to NUB on Wednesday for permission to play a friendly football match against the North's Kim Chaek Polytechnical Institute and set up sisterhood between the two schools.

There was almost no reason to deny non-governmental exchanges with the North as Pyongyang was following flexible policies such as joining the United Nations and vowing to sign the Nuclear Safeguards Accord, the official said.

The virtual collapse this summer of Chondaehyup is given as one of the reasons Seoul students have become less radical, observers say.

Chondaehyup chairman Kim Chong-sik and core members were charged with helping two students visit Pyongyang illegally and the largest student group was left drifting.

South-North Cooperation Fund Set at \$85 Million

SK1209015391 Seoul THE KOREA HERALD in English 12 Sep 91 p 2

[Text] The government has set next year's South-North Cooperation Fund at 62.8 billion won (some \$85 million), some 2.5 times this year's 25 billion won.

The fund will be made up of 40 billion won from the government budget, 19.8 billion won balance to be brought forward from this year and 2,970 million won in bank interests.

The decision was made at a meeting of the Council for Promotion of South-North Exchange which was presided over by Deputy Prime Minister and Unification Minister Choe Ho-chung Tuesday. Vice minister-level officials from 13 related ministries including Finance, Trade and Industry, and Sports and Youth ministries attended.

The South-North Cooperation Fund supports economic, cultural and sports cooperation and personnel exchanges between the two Koreas.

The council was briefed on a government plan for promotion of inter-Korean exchanges during the Seventh Five-Year Socioeconomic Development Plan (1992-96).

Samsung, Ssangyong Push for Trade With North
*SK1209092891 Seoul YONHAP in English 0531 GMT
12 Sep 91*

[Text] Seoul, Sept. 12 (YONHAP)—General trading firms, including Ssangyong and Samsung, are speeding up their indirect trade with North Korea, industry sources said Thursday.

Ssangyong plans to import 20,000 tons of steel plate through Bell Trade Co. of Hong Kong and is to receive the first portion of 5,000 tons at Incheon this month, according to the sources.

Samsung bought 3,400 tons of iron plate from North Korea through a Hong Kong company in May and wants more, they said.

Considering the price is 200 U.S. dollars a ton, imports of two companies amount to 4.68 million dollars.

Almost all exchanges between the two halves use vessels registered in the Soviet Union, China or Hong Kong.

Imports arrive at Incheon or Pusan directly from the North with five days' notice even though the contracts are concluded through trading concerns in Hong Kong, and exports flow north through China or the Soviet Union for form's sake, the sources said.

Import items are zinc nugget, steel, coal and cement. Exports are electronic goods and artificial flavorings.

Daily Cites Reasons for Reducing Arms Budget
*SK1109102191 Seoul CHOSON ILBO in Korean
7 Sep 91 p 3*

[Editorial: "Defense Spendings That Keep Increasing"]

[Text] The Ministry of National Defense announced a plan that finally pleased the entire population after a long, dismal performance. Its decision to stop recruiting reserve conscripts, a system that has been found to be unreasonable in many ways after 24 years of trial and

error, and to reduce mandatory military service by two to five months can be praised, indeed, as a timely change in policy. It can also be said that a foundation has been laid for starting a joint review with North Korea on the need for a standing army of 6.6 million and for discussing arms control in this era of peaceful coexistence.

This notwithstanding, the amount of the defense budget drawn up for the next year by the government and the Democratic Liberal Party on the basis of their agreement seems to cloud our rosy view. The government asked for a 12.6 percent increase in defense spending over last year. However, the defense expenditure has been decided at 8,748.6 billion won, 48.6 billion more than was asked. This shows that the defense spending has been increased by 13 percent, an increase of 1,007.6 billion won.

Of course, we do not mean to call for a sharp cutback in military spending. We also have no data with which to discuss whether the increased amount in defense spendings is appropriate. Our only concern is why the defense budget has received far more than the government asked and whether such increased military spending meets the calls at home and abroad for reconciliation and reunification.

As is the case with most other countries, our country has a mountain of reasons why military spending needs an increase, such as the annual rise in prices and the price of equipment to be purchased, balance in the fund for purchase of equipment brought forward from the previous year, purchase of new and additional equipment, and the expenses needed for research and development of weapons. At the same time, we also find plenty of reasons at home and abroad for which we could try to reduce military spending.

The global trends toward reconciliation aside, the need for arms control or mutual reduction of forces between the South and North in preparations for the delaying but not altogether hopeless shift in North Korea's policy is looming in front of our eyes as a certainty. The United States, the Soviet Union, the United Kingdom, France, and Germany have already embarked upon the road of arms control. Coincidentally, however, our country, Japan, and China are doing exactly the opposite.

Over the past five to six years, our country's military expenditures have doubled and expanded, reaching the level of \$10 billion. This ranks our country as eighth, next to Japan, the United Kingdom, France, Germany, and Saudi Arabia, not counting such superpowers as the United States and the Soviet Union. Is this necessary and do we have enough money to spend? Is our money spent according to absolute necessity, without wasting even a penny? If the defense budget for next year is to be finalized at the level mentioned above, our country's per capita defense spending will be about \$250, ranking probably sixth or seventh after the United States, the Soviet Union, the United Kingdom, France, and Germany. While trade deficits and the deterioration in the international balance of payments continue to deteriorate, can we afford to increase the military expenditures like this? We urge those who are concerned to reconsider.

Military To Remove Barbed Wire Near Coasts*SK1109131791 Seoul YONHAP in English 1244 GMT
11 Sep 91*

[Text] Seoul, Sept. 11 (YONHAP)—The Defense Ministry said Wednesday that the military has decided to remove an aggregate 660 kilometers of counter-infiltration barbed wire fences erected on the coastal areas of the country for the convenience and livelihood of nearby residents.

The ministry said the military has already torn down 30 kilometers of fences on the east coast and 20 kilometers on the southern coast.

The length of the barbed wire fence, which the military had built on the nation's coasts for counter-infiltration purposes since 1969, had totaled about 1,240 kilometers.

Government Workers Protest Smaller Pay Hike*SK1209020191 Seoul THE KOREA HERALD
in English 12 Sep 91 p 2*

[Text] The association of unionized government workers yesterday protested against the government's move to curb next year's pay increase for civil servants to less than 10 percent.

The group said in a statement that unless the demand for a higher pay hike is met, "struggles," including a signature-collection campaign, will be staged from next week.

The statement was issued following Tuesday's decision by economic ministers to raise the pay for government employees by an average of 9.6 percent next year.

The government had originally planned a 12.7 percent hike, but lowered it under pressure from the ruling Democratic Liberal Party.

Agro-Fishery Development Plan Unveiled*SK1109122991 Seoul YONHAP in English 0937 GMT
11 Sep 91*

[Text] Seoul, Sept. 11 (YONHAP)—The annual income of farming families will rise an average 7.46 percent a year to 16.98 million won (22,946 U.S. dollars) in 1996, and the income of fishing families 7.48 percent to 15.45 million won (20,880 dollars), according to a report released Wednesday.

Farming income was 11.02 million won (14,892 dollars) last year and fishing income 10.02 million won (13,540 dollars), according to the Agriculture, Forestry and Fisheries Ministry's 1992-1996 development program.

Rice farming will be fully mechanized by the end of 1996, and spending on research and development will be 0.5 percent of agricultural output, up from 0.2 percent, the ministry says.

The size of the fund to stabilize prices of agricultural products will be increased to 1 trillion won (1.35 billion dollars) by 1994, up from its current 700.2 billion won (946.2 million dollars).

Under the plan, one factory will be built in each county to strengthen the connection between raw materials and processing.

To increase the recreational role of the rural community, the plan will increase the number of forest resorts from 27 to 90.

The ministry forecasts farming population will slip 5.35 percent a year from 6.66 million in 1990 to 4.78 million in 1996 and the agricultural share of the population will shrink from 15.6 percent in 1990 to 10.6 percent in 1996.

Construction Material Imports Continue To Grow*SK1209093491 Seoul YONHAP in English 0810 GMT
12 Sep 91*

[Text] Seoul, Sept. 12 (YONHAP)—Despite the government's policy to cool down the construction boom, imports of equipment and materials for construction increased substantially this year, leading overall growth of imports, according to a survey by the trade and industry ministry Thursday.

Imports of goods related to the construction totaled 3.65 billion U.S. dollars in the first seven months of this year, accounting for 7.7 percent of the nation's total imports during the period.

The seven-month construction-related imports represented a growth of 36.6 percent from the same period last year.

In July alone, imports of construction equipment and materials amounted to 595 million dollars, up 41.7 percent from a year ago.

The construction import in July accounted for 8.3 percent of the overall import in the month.

Imports of cement and other materials were due to short supply but the growth in the import of window panes owed to the cheap international price of foreign products.

Consumers' preference to foreign wall papers and locks also fanned importation of those goods.

In the January-July period, cement import grew most conspicuously at 355.1 percent from the same period last year to 205 million dollars, those of elevators and escalators rose 297 percent to 6 million dollars. Those of steel frames such as H- and I-beams grew 190.4 percent at 204 million dollars.

Imports of dump trucks and other freight automobiles increased 300.5 percent to 144 million dollars.

No Comments on Merger of Opposition Parties*SK1209095191 Seoul YONHAP in English 0932 GMT
12 Sep 91*

[Text] Seoul, Sept. 12 (YONHAP)—President No Tae-u Thursday said he expected the recent merger of two opposition parties—the New Democratic Party and

Democratic Party—would be an opportunity to show the people "new looks" of the opposition party.

No, concurrently president of the ruling Democratic Liberal Party, said he hoped the opposition merger would help settle a new tradition in which the ruling and opposition parties give more emphasis on policy debates, dialogue and cooperation than on confrontation.

He made the remarks in a weekly meeting with party Executive Chairman Kim Yong-sam.

Merged Opposition Urges Cut in '92 Budget
SK1209015291 Seoul THE KOREA HERALD
in English 12 Sep 91 p 2

[Text] The merged opposition party yesterday urged the government to lower the proposed 24.2 percent budget increase for fiscal 1992 to a level equivalent to the projected GNP (gross national product) growth of 13.4 to 15.6 percent.

It called for a reduction in national defense spending and reserve funds so that money saved in those sectors could be used for projects to expand social infrastructure like roads and ports, ease environmental pollution and promote a structural change of the nation's farming (to cope with the wider opening of the agricultural market to foreign goods). Kim Tae-chung, president of the leading opposition New Democratic Party, and Yi Ki-taek, leader of second opposition Democratic Party Tuesday announced a merger of their parties.

The Ministry of National Defense had reportedly requested a 24.7 percent hike in defense spending. But the Economic Planning Board which is responsible for coordinating economic policies has curbed it at a 12.4 percent rise.

The opposition party welcomed a directive issued by President No Tae-u Monday in which he ordered a reduction in government expenditures for next year to help resolve the nation's economic difficulties, notably the soaring inflation and the snowballing trade deficit. Ruling party officials have also asked for less government spending.

The proposed budget presently scaled at 33,505 billion won (roughly \$45.3 billion) is subject to the approval of the National Assembly.

The party demanded that Deputy Prime Minister Choe Kak-kyu, concurrently minister of economic planning, and other economic ministers step down "immediately," taking responsibilities for the policy failure.

It also called for an overhaul of the economic policy for the rest of the year as soon as possible. But it did not elaborate.

Meanwhile, Cho Se-hyung of the unified opposition group was elected chairman of the National Assembly's Education-Youth Committee during a full session yesterday. He succeeds Kim Won-ki who became secretary-general of the new party.

Nam Chae-hui of the ruling Democratic Liberal Party was elected as the first chairman of the Ethics Committee whose inauguration came on the heels of a string of corruption scandals involving several ruling and opposition legislators.

Burma**Villagers Flee Troop-Rebel Fighting***BK1109065291 Hong Kong AFP in English 0637 GMT 11 Sep 91*

[Text] Bangkok, Sept 11 (AFP)—Hundreds of Karen villagers have fled to northwest Thailand's Mae Hong Son Province to escape heavy fighting between Burmese troops and ethnic rebels, a Border Patrol Police (BPP) officer said Wednesday.

Villagers living in Burma on Sunday crossed the Salwin River into Thailand's Mae Sariang District to escape heavy fighting between Rangoon soldiers and two ethnic rebel armies.

The influx had not affected Thai villagers living near the border, and most of the "temporary refugees" had received assistance from relatives on the Thai side of the border, said the officer attached to the BPP's 35th unit in Mae Sariang.

Heavy fighting began last Thursday in Burma's eastern Kayah state when the Burmese army fielded six battalions from its 55th infantry division to attack bases held by the Karen National Union (KNU) and Karenni National Army (KNA), two of some dozen anti-Rangoon ethnic rebel movements fighting for autonomy.

The Burmese, with superiority in numbers and firepower, dislodged the rebels and chased them across the Salwin into Thailand.

There were casualties on both sides, with Burmese suffering more than 12 killed and others wounded, but guerrilla casualties were not immediately known, the officer said.

Sporadic fighting continued on both sides of the river on Wednesday while Thai officials asked the intruders to pull back into Burma.

SLORC Said Relocating Kachin Villagers*BK0609020791 Bangkok THE NATION in English 6 Sep 91 p A18*

[By Yindi Loetcharoenchok]

[Text] Since early this year, the SLORC [State Law and Order Restoration Council] has been relocating remote highland villagers in the Kachin State to the lowland areas closer to towns to prevent them from supporting armed ethnic Kachin Independence Organization (KIO) which is active in the area and the northern Shan State.

The situation has worsened during the past few months. Many villagers have been moved down from the hills to be relocated around the Mogaung-Myitkyina, Bhamo-Myitkyina roads and Mogaung-Myitkyina railroad.

Over the past two years, 324 villages from Kutkai township in northern Shan State (the KIO considers the

area as its Fourth Brigade) were destroyed and the inhabitants were forcefully relocated to government controlled towns.

At present there are a total of 46 Burma Army battalions in Kachin State. Thirteen of them are from the Western Command, nine from Southwest Command, five from the 33rd Division, 10 from the 99th Division.

These battalions are taking their positions in preparation for the heavy offensive which is planned for this upcoming dry season.

The KIO has divided its controlled area into four administrative divisions and military brigades. The Northern Division is its First Brigade, the Eastern Division its Third Brigade, the Western Division its Second Brigade, and the Southern Division in northern Shan State its Fourth Brigade.

Officials on Political, Economic Situation*BK0909124191 Rangoon Radio Burma in Burmese 1330 GMT 8 Sep 91*

[Excerpts] Lieutenant General Aung Ye Kyaw, member of the State Law and Order Restoration Council [SLORC] and minister of construction and cooperatives; Major General Tin U, secretary-2 of SLORC; Brigadier General Abel, minister of planning, finance, and trade; Colonel Pe Thein, minister of health and education and commander of the University Training Corps; Brig. Gen. Maung Maung, chairman of the Central Committee of the Commodities Distribution and Price Regulation Committee [CDPRC] and commander of the No. 502 Air Force Base; directors general and managing directors from the SLORC Office and other relevant offices; and responsible personnel from the Myanmar [Burma] Chamber of Commerce, Myanmar Rice Millers Association, and the No. 2 Joint Venture Corporation Limited left Yangon [Rangoon] by military aircraft this morning at 0730 and arrived in Mandalay at 0900. [passage omitted]

The ministers and the secretary-2 went to the city hall and met with members of the divisional, township zone, and township level law and order restoration councils, responsible departmental personnel, employees, members of the supervisory committee of the Mandalay Division CDPRC, and merchants and held a coordination meeting on the stability of commodity prices and other economic matters.

Lt. Gen. Aung Ye Kyaw said: I am happy to meet the responsible departmental personnel, merchants, and employees from Mandalay Division. Matters concerning the stability of commodity prices, the purchase of agricultural products, education, health, and cooperative affairs will be discussed at the meeting. Since the ministers are accompanied by departmental heads they will try to see that the needs that arise at the meeting are met. Those of you at the meeting are urged to speak frankly, cordially, and constructively. The prevailing situation

should also be discussed openly and suggestions given about what should necessarily be done instead of saying everything is fine.

Speaking on the occasion, Maj. Gen. Tin U said: Our delegation led by Lt. Gen. Aung Ye Kyaw has come to Mandalay in order to coordinate economic matters; on the purchase, storage, and distribution of monsoon crops; on the cultivation, purchase, storage, and distribution of winter crops; and on health and education matters.

It is common knowledge that SLORC, or the Defense Services, has taken upon itself the responsibilities of the nation only due to unavoidable circumstances. Following assumption of these responsibilities, SLORC has prescribed measures and worked according to its four major tasks.

It has given priority to the first task of reinstating law and order and regional peace and tranquillity. This is because the rule of law and regional peace and tranquillity are prerequisites in a society regardless of what political system that society is trying to build. The people have already experienced and suffered from the adverse consequences of neglecting the law and letting anarchy reign.

While undertaking the duty of reinstating the rule of law and regional peace and tranquillity, we have been carrying out work to secure and facilitate transport and communications and to meet the food, clothing, and shelter needs of the people.

We have also fulfilled our promise of undertaking the fourth task—the holding of multiparty democratic general election—in a most clean and fair manner, as witnessed by the world.

It is evident that the tasks the SLORC has undertaken include abolishing the regional organs of power and the central organs of power—the People's Assembly, the State Council, and the Council of Ministers—formed under the 1974 Constitution; abolishing the single-party system and legally permitting the founding and registration of political parties; and abolishing laws that protect the single-party system and enacting laws that will help bring about a multiparty system. It has also installed an administrative infrastructure that will be in harmony with the multiparty system. The rights and responsibilities of the previous People's Councils have been transferred to the heads of departments. In line with the practice of a multiparty democracy, it has made sure that all public service personnel, including Defense Services personnel, stay clear of party politics. It is also quite evident that the SLORC has also pushed ahead with the programs to ensure law and order and regional peace and tranquillity in different regions. The SLORC is helping implement a genuine multiparty democratic system.

Following the general elections, political parties started to call for a transfer of power. I want to take this opportunity to say that one should not overlook the fact that a country cannot be administered with calmness and

stability without a constitution. Hence, a national convention aimed at instituting a firm constitution will be called in line with SLORC Declaration No. 1/90. What is important is that the political parties clear up what should be cleared up under the Election Law.

The transfer of power without a firm constitution is something that should not happen in a country. Effective and decisive action will be taken in accordance with the law against people who attack SLORC and create instability and unrest just for the sake of getting power for their party.

To make people see things in a much clearer light, I will take this opportunity to say once again that SLORC—the Defense Service—does not back nor accept the guidance or leadership of any party or organization. It must be clearly seen and understood that the SLORC government is a military or a public service government that stays clear of party politics. It is a government that holds aloft and works according to the four pledges and the three main causes, preventing disintegration of the union, preventing the disintegration of national solidarity, and perpetuating sovereignty. It must be said clearly here that we will never tolerate agitation aimed at causing unrest and instability when in fact the SLORC is working with sincerity and good will in the interests of the nation for the emergence of a genuine multiparty democratic system.

While working to bring about changes in the political system, SLORC is also building a free market in the economic sector. Because both political and economic changes are being carried out, we are in a way waging a revolution toward a new era. It is therefore essential to understand that neither the times nor the present conditions are normal.

It is not enough if all the public service personnel do stay clear of party politics. It is vital for them to show good will to the people and fulfill their duties. Some public personnel are not only not contributing to productivity, but are even creating obstacles to hamper productivity. The functioning of the state machinery is being hampered and affected by personnel who neglect duties, lack good will, are self-seeking, shirk responsibilities, and are involved in political intrigue. It will not be long before these bad public servants face tough action. It must not be forgotten that the time of forgiveness for the public service personnel has passed.

The state has shown sympathy to the public service personnel in every way. To the greatest possible extent, it has provided support and rewarded them. We will now be taking action against those who cannot give up their bad habits and hide their true features under a guise.

Today there is a parallel government set up by U Nu and a parallel government set up by the NLD [National League for Democracy] headed by Sein Win in the so-called liberated area. Some political party members and representatives are also earning their living through illegal means. We have also seen some political party

members bring back bombs of mass destruction from the insurgents into the cities and urban areas in order to stage an insurrection and terrorist acts against the state.

There have also been investigations into the accounts of some so-called elected representatives because they did not present a correct picture. Some elected representatives are in violation of the stipulations of the Election Law, while some have become fed up with politics and are resigning from their seats. Because of these, we have been investigating, exposing, and taking action against cases where the law has been broken in the political arena. Once these cases are completed, and in line with the program we have prescribed, a new constitution must be drafted.

The Defense Services have been doing whatever is necessary for the country. We will not go down on our knees and submit meekly to the onslaught from abroad, no matter how great its intensity. At home the insurgents face punishment and cannot carry out any subversive work because the people help expose them.

In our country human rights mean security, food, clothing, and shelter, non-disintegration of the country, and perpetuation of the country's sovereignty. There is nothing more important than these national interests. We must make sacrifices in all aspects to foster these national interests. Food, existence, and security are more important than democratic freedoms. It is essential to understand that the political, economic, and social freedoms that we love, and our liberty to create freedom in our own nation in accordance with the wishes of the people, are more important than so-called democratic rights.

When one sets out on a mission to build a new era and a new system it is natural to face all-around difficulties in a period when the old system has not entirely disappeared and the new system has not yet taken shape completely. We must overcome these difficulties and march toward victory with diligence and determination and through unity, collective effort, and collective implementation.

By taking advantage of the good atmosphere of unity that exists because of an unprecedented peace agreed upon with various national peoples and the stable political situation in the country, we must vow to work in unison to develop the national economy within a short time and arrive on the correct path of market economics.

It is natural for the people to take a keen interest in political and economic matters. SLORC is doing its utmost to meet the people's needs for food, clothing, and shelter. It is particularly making efforts to bring down commodity prices, distribute foodstuffs sufficiently, and boost productivity.

Unprecedented floods in the Irrawaddy Division have caused suffering and trouble. Hence, the state has been making efforts to relieve the farmers who are facing problems associated with the floods as well as to help them resume their farm work.

Floods have also raised concerns over the scarcity of rice. Trying to make both political and economic gains from the situation, unscrupulous people have been spreading all sorts of rumors to defame SLORC politically and economically. Because of the excellent rice harvest about a year ago, the state government, showing prudence, has stored sufficient reserve food stocks. I wish to inform the people that there is no need to worry about food. There should not be any concerns about rice. Also, distribution will be carried out in an efficient manner.

Traditionally, our country has produced sufficient food for internal consumption. We even have the ability to export rice. In order to sufficiently distribute foodstuffs at stable prices to the consumers, a disciplined and conscientious three-way effort must be carried out among the people who produce the foodstuffs, the sellers and distributors of commodities, and the consumers.

Economic stability and political stability are reliant upon and feed off each other. When economic difficulties arise, political stability can be disrupted. We must recognize the fact that under a situation where there is no political stability, everyone—the consumers, sellers, and distributors—will suffer.

In order to develop the economy, the state has been encouraging and helping the private and cooperatives sectors. [passage omitted] Studying the volume of exports, we find the state sector exporting 1,584 tons of beans and pulses worth 30.78 million kyat in the 1990-91 period. During that same period, the private sector exported 36,576 tons worth 70.291 million kyat.

In 1991-92 the state is in the process of exporting 570 tons of assorted beans and pulses while the private sector has exported 1,749 tons. Although progress is being made in the private sector during the transition period from one era to the next, some people have been showing excessive greed and sending goods out of the country through illegal means and buying up in excess as well as at abnormally high rates such consumer goods as rice, peanuts, sesame, hot peppers, onions, oil, and other consumer goods. Because of these practices commodity prices are spiraling sky-high.

Commodity price manipulations have increased in Myanmar on the basis of the blackmarket U.S. dollar-kyat exchange rate. Also, in importing goods importers have avoided bringing in the goods that would help boost productivity and that are actually needed, but are instead importing goods that fetch good profits. Hence, the state has had to take action and [words indistinct] in the interests of the people. The need to impose restrictions on free trade is something that should never happen in a market economy. But we have had to resort to administrative means under unavoidable circumstances to correct the situation whereby market forces go on the wrong track and thereby lead to price increases. We have also been using economic means to correct the situation. Committees to bring down commodity prices and to supervise the smooth and regular flow of commodities have been formed at the central and divisional

levels. These bodies, which coordinate measures to facilitate the distribution of commodities and to stabilize prices, are temporary in nature, which gives impetus to bringing market forces back on the track of the market economy. Those who will work long-term are the traders and entrepreneurs.

The committees have been set up to bring private traders and entrepreneurs together in their respective regions and to coordinate appropriate prices for trade within the regions. By controlling groups or associations that bring the traders together and by ensuring correct methods of doing business, more successes will be achieved. [passage omitted]

The cooperatives sector, as the second pillar of the nation, must also strive to become economically sound. Unnecessary service expenditures should be reduced and cooperatives should strive to become organizations that can be relied upon by the people. In the public sector, while the state is carrying out ventures with funds invested by the people, there should be no reason for incidents and disputes to arise at all. We should also give greater assistance to help cooperative shops and brokerages achieve success. It will be essential to restructure the work methods of cooperatives if they are to become enterprises that genuinely serve the people. The traders as well as the cooperatives should view the changing conditions with objectivity, (?study) trading practices, and make reforms where necessary.

He said it has been nearly three years since the SLORC took upon itself the responsibilities of administering the state. During this three-year period activities concerning politics, economics, transportation and communication, regional peace and tranquillity, and the rule of law have been performed effectively. And activities to boost economic development will be increased in the future.

We cannot say for how long we will be in charge of the state administration. It might be five years or 10. Regardless of how long it may be, public service personnel should perform their duties and responsibilities well and without involvement in party politics. They should be especially loyal to the state since their salaries are being provided by the state. There are some public service personnel who are deceiving the state and government, and that is why the Ministry of Home and Religious Affairs has had to issue the Declaration of Warning No. 1, warning political parties and state enterprises that the time has come to stop deceptive activities against the government and the Defense Forces. The main reasons for the issuance of this declaration should be analyzed and must be explained to the grass roots level so the declaration can be heeded and followed. The most important thing is to perform one's duties and responsibilities bravely and honestly with love for one's country and race as a basis.

Continuing, the secretary-2 said rumors are being spread about the scarcity of rice and increases in rice prices due to the floods in Irrawaddy Division that have inundated paddy fields. The decrease in productive inputs is also

one of the reasons for the increased commodity prices. That is why the theme: Sow All That Can Be Consumed, Breed All That Can Be Eaten has been promoted and implemented nationwide as a national movement. He then urged the people to carefully consider the basis of the rumors that are resulting in increased commodity prices and to not believe these rumors.

Col. Pe Thein next took the stand and said he would first like to inform responsible personnel from Mandalay that necessary preparations are underway to open an institute of technology and an institute of education in Mandalay in the near future. [passage omitted]

He said since the public servants are enjoying the state's salaries, they must be loyal to the state as well as the government. If they feign ignorance and act indecisively about taking sides and try to cover up instead of exposing and reporting to the responsible officials about those carrying out subversive activities, events similar to those in 1988 may recur. [passage omitted]

Traders Engaging in Economic 'Offensive'

*BK0809151591 Rangoon Radio Burma in Burmese
1330 GMT 8 Sep 91*

[Excerpts] Major General Myo Nyunt, chairman of Yangon [Rangoon] Military Command, toured Hmawbi garrison area this morning and Mingaladon garrison area later in the evening to inspect livestock breeding and the agricultural work of the military units and to give guidance to the military personnel and their dependents. [passage omitted]

At a meeting held at the conference hall of the Joint Operations and Parachutist Training School, Maj. Gen. Myo Nyunt addressed the officers and soldiers and dependents of that training school and the 16th Infantry Regiment. The commander said: As our national leader General Aung San had said, politics in essence means food, clothing, and shelter for the people; I am bound to say that military power is an extension of politics. In other words, when conditions are not politically favorable, problems must be resolved through military means. In the same manner, when the economy—the basis of politics—is unstable, it can disrupt political stability.

Knowing that they are no longer in a politically superior position, some political parties are thinking of doing things in a military way by secretly contacting and cooperating with illegal organizations in the jungles. At the same time, they are also launching an offensive in the economic arena.

Just as we will be dealing with the military problem through military means, so we shall be tackling the economic offensive in an economic way. This being the case, we have made military regiments and other units implement their livestock breeding and agricultural programs according to plans. Livestock breeding and agriculture are not something that has just popped up today. They have been there as traditional work since our forefathers.

Normally, trading is also described as a proper way of life in the Buddhist sense. But it appears that we may even have to review this because of the greed, anger, and ignorance involved in conducting that business. [passage omitted]

All religions prohibit the killing of living beings. The traders today are not directly involved in the shooting, axing, or killing of anyone. But, to quote Bo Daw U Waing's opinion expressed in his poem, they are indirectly causing deaths because, so to speak, the poor who cannot afford to buy would rather die.

They cheat on weights used in selling goods, they lie to sell goods, and they sell narcotic drugs and alcoholic drinks. This being the case, they are already breaking four of the five Buddhist precepts. In addition to violating these precepts, the traders are also prone to engaging in politics. This being the case, we of the Defense Services, who have already made up our minds to give up our lives for the nation, must make every possible effort to counter and overcome the economic offensive being launched by them. We have all the necessary requisites—manpower, finance, raw materials, market, and management—to carry this out, and there is no way that we can fail. All we have to do is to put them into practice. [passage omitted]

In the same way as the military personnel are to carry out livestock breeding and agricultural programs to counter the attacks in the economic arena by those aimed at destroying the nation, the State is also making preparations to take legal action against these people. Hence, it is necessary for the Defense Service personnel and their dependents to work loyally together to protect the nation from the threat that looms, said the commander. [passage omitted]

Brunei, Malaysia, & Singapore

Malaysia

Minister on Expanding U.S. Military Cooperation

BK1109154891 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 11 Sep 91

[Text] Malaysia is prepared to strengthen bilateral military cooperation with the United States. However, this will not involve a new agreement. Defense Minister Datuk Sri Najib Tun Razak said that joint exercises could be expanded if Washington requested so. Military forces from the two countries often hold joint exercises, but they are at a limited level compared to those between the United States and its other allies in the region.

Datuk Sri Najib was commenting on news reports from Washington which said that the United States had started sounding out several Southeast Asian nations about the expansion of security cooperation if that country's military forces were forced to withdraw from the Philippines when the lease on the Subic Bay naval base ends.

It is too early to anticipate what the government will decide about Washington's request. However, Malaysia is prepared to continue military cooperation through joint exercises.

Bases Facilities Ruled Out

BK1209043891 Kuala Lumpur BERNAMA in English 0334 GMT 12 Sep 91

[Text] Kuala Lumpur, Sept 12 (OANA-BERNAMA)—The Malaysian Government is not prepared to accommodate any move by the United States to disperse some of its military facilities here, if the superpower has to abandon its bases in the Philippines.

Defence Minister Najib Razak said Thursday that although Malaysia supported continued U.S. presence in the region, he did not think regional security would be threatened by a U.S. pull-out from the Philippines.

"The Cold War is history. Defence budgets worldwide are shrinking and I don't think the pull-out, if it happens, will encourage any regional power to try to fill the vacuum."

He was commenting on a report quoting U.S. Administration officials as saying they were talking with some East Asian countries on the possibility of expanding its military presence there.

This alternative is being looked into as the Philippines Senate has given indications it would not ratify a treaty allowing the superpower to continue to operate its bases in the former American colony.

The officials were believed to have had informal discussions with ASEAN countries, Australia, South Korea, and Japan.

Najib said Malaysia would only consider expanding her annual joint exercises with the United States under the Bilateral Training and Education Co-operation (BITEC) programme.

More on Najib's Remarks

BK1109120891 Hong Kong AFP in English 1150 GMT 11 Sep 91

[Text] Kuala Lumpur, Sept 11 (AFP)—Malaysia offered Wednesday to expand bilateral military cooperation with the United States if the American military is forced to abandon the Subic naval base in the Philippines.

Defence Minister Najib Tun Razak said Malaysia was prepared to continue and expand "the coverage, frequency and type of assets involved" under a bilateral agreement covering military exercises and military training.

Najib's offer came in the wake of reports from Washington that the administration of President George Bush had started sounding out East Asian nations about hosting an expanded U.S. military presence if a new bases treaty is rejected by the Philippine Senate.

He said that the United States had not made any official request to Malaysia for access to local facilities although some unofficial discussion had taken place.

Najib said the U.S. had indicated interest in expanding the scope of a bilateral technical agreement and military exercises, adding the talks on this would be held in Hawaii soon.

"It is a bit premature to anticipate what our decision would be if we received a formal approach for access to military facilities, but we are prepared to continue bilateral exercises," he said in response to a question at a press conference.

Analysts said Malaysia had previously ruled out a permanent U.S. military presence in the country after informal approaches by the United States.

Najib said he did not think a U.S. withdrawal from the Philippines would trigger a major change in the geopolitical situation in Southeast Asia "unless regional powers flex their muscles."

He said the U.S. military presence would continue to be felt in the region even after a pullout from the Philippines because the U.S. Pacific Fleet and the United States' ability to deploy forces at short notice would remain intact.

"I do not see a change in the political situation," Najib said. "Now, I do not see regional powers asserting themselves, either."

Minister Announces Recognition of Baltics States

*BK1209064291 Kuala Lumpur Voice of Malaysia
in English 0600 GMT 12 Sep 91*

[Excerpt] Malaysia has recognized the Baltic states of Lithuania, Latvia, and Estonia, which gained independence from the Soviet Union last week. Foreign Minister Datuk Abdullah Ahmad Badawi said the Malaysian ambassador in Moscow is expected to be accredited to the three states. Malaysia is the second ASEAN country after Singapore to accord the recognition.

Datuk Abdullah said Malaysia felt the time had come for the three countries to be given recognition. Latvia and Estonia were sovereign states for about 20 years before they came under the Soviet rule in 1940, while Lithuania was part of Poland until the end of the 18th century.

The Foreign Ministry said in a statement yesterday that Malaysia would support the three countries' application for membership in the United Nations. Malaysia also hopes to establish cooperation with them.

Datuk Abdullah said this to reporters at the Kuala Lumpur International Airport before leaving for New Delhi to attend the meeting of the Commonwealth Foreign Minister's Committee on South Africa. [passage omitted]

Paramount Ruler's Visit to China Hailed

*BK1009110791 Kuala Lumpur Voice of Malaysia
in English 0800 GMT 10 Sep 91*

[Station commentary]

[Text] His Royal Highness the king of Malaysia's week-long visit to China is the first by a Malaysian monarch. Already Malaysia and China enjoy very good bilateral ties, especially in the trade and business sector.

Therefore, the king's visit would surely further cement the bond between the two countries. The king's visit follows previous delegations headed by top cabinet ministers, including Prime Minister Datuk Sri Dr. Mahathir Mohamed a few years ago. This goes to show that despite differing political ideologies there is much scope for mutual cooperation.

In his talks with Chinese Prime Minister Li Peng, his majesty expressed the desire for China to expand trade with Malaysia. To this end, he called for the establishment of direct trade links. Currently, a major portion of bilateral trade is carried out through third countries. As a result, imports and exports always cost more than when they leave the country of origin.

This being the case, the authorities of both countries need to look into ways to step up direct trade through more air and shipping links. To Malaysian exporters, China offers a vast market potential with its huge population. At the same time, Malaysian entrepreneurs could look to setting up joint ventures with their Chinese counterparts in areas such as downstream processing in resource-based industries. For example, a local firm, Dreamland Holdings, has successfully set up a massive manufacturing joint venture firm in Tianjin. This should [word indistinct] many firms involved in a host of activities to invest in China.

We hear investments by China have increased steadily over the years. Many of these joint venture firms are in light manufacturing industries. However, good news is in the offing. China Steel Corporation has decided to set up a steel manufacturing plant in the southern state of Johor. This involves an investment to the tune of several billion ringgit. The move will expand further economic ties between the two countries. China's decision to invest here is in no small way due to Malaysia's liberal investment guidelines. This is also expected to rectify the investment imbalance between the two countries.

Statistics show an investment imbalance with Malaysian investments in China totalling 500 million ringgit in 13 joint venture companies. In contrast, China has seven joint venture companies here involving a lesser sum of 300 million ringgit in investments. This might take some time to even out. But nevertheless, both countries are moving along in the right direction in enhancing economic cooperation.

It is also encouraging to note that China has voiced support for Malaysia's idea for an East Asian Economic Grouping. Given China's stature in the world arena, its

support will be a tremendous support for the proposal. Both Malaysia and China agree that the region needs such a grouping to counter increasing economic protectionist territories.

Against this background, the visit by his majesty to China brings that much more meaning to bilateral ties between Malaysia and China. Surely now the pace is set for greater cooperation not only for mutual benefit but also for countries in the region.

18 SRV Boat People Return to Ho Chi Minh City
BK0609105891 Kuala Lumpur BERNAMA in English
1010 GMT 6 Sep 91

[Text] Kuala Lumpur, Sept 6 (OANA/BERNAMA)—Eighteen more Vietnamese "boat people" returned voluntarily to Ho Chi Minh City Friday under the auspices of the United Nations High Commissioner for Refugees (UNHCR), bringing their total number to 233 within the last two months.

Four of those in the last batch had failed to qualify as refugees after going through the Malaysian Government's refugee status determination procedure, according to a UNHCR press release.

The others decided to return to Vietnam without going through the procedure. All 18 had been staying in Malaysia for between 15 and 30 months.

UNHCR said 600 people had returned voluntarily to Vietnam since the programme started in early 1989.

Minister Views Credit Facilities for Buyers

BK0909092491 Kuala Lumpur Voice of Malaysia
in English 0800 GMT 9 Sep 91

[Text] Malaysia is willing to sign agreements with foreign countries which are prepared to increase their imports of Malaysian palm oil. For a start, it will soon sign contracts with China, India, Pakistan and USSR for a total supply of 1.2 million metric tonnes next year.

The minister of primary industries, Datuk Sri Dr. Lim Keng Yaik, said Malaysia will extend credit facilities for up to two years to these palm oil buying countries as part of its marketing strategy to secure big long-term contracts. The four countries will sign contracts to buy palm oil for not less than one year or a minimum of 300,000 tonnes per year to qualify for the facilities.

Towards this end, a delegation from Bank Negara or the central bank will be going to USSR soon to negotiate and finalize the credit facilities. The Malaysian palm oil is expected to have a brighter future next year.

Datuk Sri Dr. Lim adds that he will lead a palm oil techno-economic mission to a number of countries in Central and South America, beginning on Wednesday. This is to gain access into markets that lack information about palm oil use. He noted that initial contacts have shown that palm oil is one commodity that has good and significant potential, notwithstanding that certain Latin

American countries themselves are large producers of soybean and sunflower seed oil.

The minister was speaking to reporters after opening the 1991 PORIM [Palm Oil Research Institute of Malaysia] international palm oil conference in Kuala Lumpur today. The six-day international conference is being attended by about 1,600 participants from 45 countries.

Timber Depots, Palm Oil Refineries Set for W. Asia

BK0709083691 Kuala Lumpur BERNAMA in English
0728 GMT 7 Sep 91

[Text] Kuala Lumpur, Sept 7 (OANA/BERNAMA)—Malaysia will build timber depots and palm oil refineries in West Asia to facilitate marketing of the commodities in that region and Europe, Deputy Primary Industries Minister Tengku Mahmud Mansor said Saturday.

He said the timber depots would be set up in the United Arab Emirates and Saudi Arabia and the palm oil refineries in Turkey and Iran.

Follow-up negotiations for the setting up of the depots and refineries would be held in one or two months, he told reporters on his return from leading a Malaysian mission on a 19-day visit of the four countries.

Officials from the Malaysian Timber Industry Board (MTIB) and Palm Oil Research Institute of Malaysia (PORIM) would represent Malaysia in the talks, he added.

"The depots and refineries will not only cater for the West Asian market but also act as centres for export of the commodities to European countries," he said.

His 18-member delegation joined that led by Deputy Prime Minister Ghafar Baba on the visits to Iran and Turkey.

Tengku Mahmud said that though Malaysian goods were well received in the West Asian countries, most of the goods were imported through third countries.

"During the visit, we stressed to them the importance of importing direct from the country of origin to ensure quality and reasonable price," he said.

Tengku Mahmud also said that Malaysia would establish a consortium among several private companies to tender for the supply of railway sleepers to Iran.

He said discussions were held with the Iranian deputy prime minister and the Iranian Transport Ministry. MTIB would be the coordinator for the consortium.

"The project worth U.S. \$16 million a year, was awarded to Malaysia before and we hope that Iran will consider our tender again," he said.

Defense Minister on Aviation Wing for Army

*BK1009045291 Kuala Lumpur BERNAMA in English
0412 GMT 10 Sep 91*

[Text] Kuala Lumpur, Sept 10 (OANA-BERNAMA)—The Malaysian Army is expected to set up its aviation wing in five years' time, Defence Minister Najib Razak said.

He said Monday the Defence Ministry had agreed to the proposal in principle but it could not be implemented immediately due to budgetary constraints.

A proposal was made following a recent study by Army experts on the setting up of an aviation force which would be basically made up of light fixed-wing aircraft and helicopters to be used in support roles, he said.

Najib said the army's aircraft would be used for support roles such as reconnaissance, tactical transport and ground fire support of army units.

This would free the Air Force for dedicated air defence or attack roles, he added.

Haniff Omar on Former Communists' Loyalty Pledge

*BK1009050891 Kuala Lumpur BERNAMA in English
0427 GMT 10 Sep 91*

[Text] Kuala Lumpur, Sept 10 (OANA-BERNAMA)—Only four members of the outlawed Communist Party of Malaya (CPM) have so far denounced the party as required before they could be accepted by the Malaysian Government, Inspector-General of Police Haniff Omar said.

"Of the 13 in the first batch, only four had fully adhered to the condition that they must pledge loyalty to the government and uphold the sovereignty of the country," he told reporters.

He was commenting on news reports Monday which said that the first batch of 13 former CPM members were allowed to return to Malaysia unconditionally and have led ordinary lives in their respective villages since the middle of last month.

Describing the reports as inaccurate, he said former communist terrorists were subject to various conditions, the most important being the denunciation.

Under the peace accord signed by the CPM with the governments of Malaysia and [word indistinct], former CPM members must denounce the party, dissociate themselves from their armed struggle, pledge loyalty to the Malaysian Government, and uphold the sovereignty of the nation.

Haniff, who was one of the signatories of the accord on behalf of the Malaysian Government, said: "As part of the sine qua non (condition of precedence) laid down, they must denounce the party and dissociate themselves from the armed struggle."

Haniff said that there is no such thing as unconditional return, as "the government must be fair to the members of the security forces who went down fighting the communists.

"We shall not betray the sacrifices of our security forces and the people who were killed during the period.

"Former CPM members must denounce the party in writing as this is another essential requirement to prove that they have left the party and are ready to return to Malaysia."

One of the four former CPM members who denounced the party three days ago was a 13-year-old girl.

Police were obtaining written statements from the 10 others and those who refused would be sent back to Hat Yai, he added.

Haniff said the second batch of former CPM members have been told to denounce the party in writing in Hat Yai to better facilitate the process of their return.

He added that police had records to show that they had previously aligned themselves to the armed struggle and it was vital that they tender their "resignation" in writing.

Of the 13 former CPM members, aged between 13 and 50, seven were women. They were among the 421 who had applied to return to Malaysia under the peace accord.

Singapore

Goh Stresses Solving 'Common Man's Problems'

*BK0909101691 Singapore THE STRAITS TIMES
in English 9 Sep 91 p 1*

[By Cherian George]

[Text] The ruling party will take a hard look at the woes of poorer Singaporeans, Prime Minister Goh Chok Tong said yesterday in his first public speech since last Sunday's [1 Sep] post-election press conference.

"You will see that over the next few years, my attention will be focused more on the common man's problems," he said.

Addressing party activists and grassroots leaders after a 4 1/2-hour tour of Marine Parade GRC [Group Representatives Constituencies] to thank voters, Mr Goh said: "It's important for you to try and understand what the problems of the people are, whether it is higher costs, or whether they are unable to keep up with the fast pace of life. Let us know. It is your job."

He promised to have a "very sensitive ear" to the feedback from the grassroots workers and his fellow MPs [Member of Parliament].

The thrust of his brief off-the-cuff speech was a marked departure from last Sunday's pre-dawn press conference when he did not raise bread-and-butter issues as a

possible cause for the 2.2 percentage point swing against the PAP [People's Action Party].

Instead he saw the election result then as a rebuff of his open and consultative style of government.

But over the past week, PAP and opposition politicians and many other observers have commented that the ground may not have been as sweet as previously thought, and that this was a likelier factor than Mr Goh's style.

In a mid-week interview with foreign journalists, Mr Goh concurred with this view, and at Joo Chiat Community Centre yesterday, he made no mention of his style but instead devoted his speech to the economic problems of the common man.

Urging grassroots leaders to get to know the people at more than a superficial level, he said that feedback about their problems would help to modify the Government's approach: "Our basic attitude towards problems will not change, and that is to come up with a good rational solution in order to solve problems.

"But what I want to do over the years is to temper this hard-headed approach to problems with a soft touch.

"That is, we've got to understand how policies affect not just the ordinary Singaporeans but many of those who are finding it difficult to cope with this fast pace of life in Singapore."

He repeated the message of his Aug 11 National Day rally speech, saying that while meritocracy had to be preserved to allow the hard-working and talented to rise, the Government would shift the emphasis towards the remaining 80 percent of Singaporeans, and in particular the underclass.

Mr Lim Chee Onn, the Prime Minister's new GRC colleague, told the lunch gathering that the implementation of policies tended to be more controversial than the policies themselves.

Mr Lim, who was moved from Bukit Merah constituency before the elections and is now in charge of the Joo Chiat area of Marine Parade GRC, urged the Government to be flexible in implementing policies, to cater to specific needs. He said this should not be confused with "weak-headed economic analysis." This, he said, would result in more effective government.

Dhanabalan Explains Decision To Step Down

*BK0909134491 Singapore THE STRAITS TIMES
in English 7 Sep 91 p 25*

[Bertha Henson]

[Text] Mr S. Dhanabalan yesterday explained that his decision to resign from the Government was not a hasty one, and would not weaken the new Goh Chok Tong Cabinet.

He said that he had wanted to leave politics before the 1988 General Election but stayed on because of the changeover of leadership.

But now, the National Development Minister felt that it was time for him to re-join the private sector.

"I felt that I have done enough. There are two important things to consider in taking on any job: You must know when to go in and you must know when to leave.

"I have thought it over very carefully and I thought it was time to go."

Mr Dhanabalan was speaking at a press conference at MND [Ministry of National Development] Building to expand on the announcement from the Prime Minister's Office on Thursday [5 Sep] that he and Education Minister Tony Tan had asked to step out of politics.

Mr Dhanabalan will relinquish his portfolio in one year, while Dr Tan will do so at the end of this year.

The impending departures of two experienced ministers have created quite a stir as they come in the wake of Saturday's [31 Aug] General Election which saw the Prime Minister receiving less than the "clear endorsement" he was looking for.

At yesterday's 45-minute press conference, the same question was posed again and again in different ways: Would his departure weaken the Cabinet?

"I think he has enough people to carry on the work of the Cabinet. People like us always think that younger people cannot do the work. But that is not quite true."

But, would not the loss of two "pillars" of the Cabinet be felt especially when the PM [Prime Minister] is seeking to consolidate his strength?

Mr Dhanabalan replied: "I am not denying that Dr Tan and I have been in the Cabinet for some time. But we do not think we are leaving the Cabinet with nobody to take our place.

"We are quite confident that there are people who can do the job. Whatever new policies have already been put in place and set in motion. The others can carry on."

Mr Goh already had an inner Cabinet team in place, he said.

He also stressed that he was not leaving because of any "violent disagreements" with Mr Goh, and was in full support of his consultative style of government.

But, by his notice to quit, would he not be perceived as not being supportive of the PM?

"If you argue that way, I would have to wait until the day Mr Goh retires, and he is a much younger man than I am! If I do not support Mr Goh, I would not have stayed in 1988 for another term and now for another year," said the 54-year-old minister who is five years older than the Prime Minister.

The former executive vice-president of the Development Bank of Singapore became MP [Member of Parliament] for Kallang in 1976 and had held the Culture, Community Development and Foreign Affairs portfolios before going into National Development full-time in 1988.

Fielding questions in his typical no-nonsense way, he said that he had written to Mr Goh before the 1988 General Election asking to step out of politics.

He was persuaded to stand but on the understanding that he would carry on as a back-bencher.

However, when it became clear to him on the night of the election that Mr Lee Kuan Yew would be handing over the reins to Mr Goh, he decided that it was his responsibility to remain in the Cabinet to see through the changeover and leave after the term was up.

So, he wrote to Mr Goh again in May this year expressing his wish to leave and asking that a person be sent to his constituency to prepare for the changeover.

Again, he was persuaded to stand for election on the understanding that he would leave after a year.

"By the time I go, it will be 16 years. It is the longest that I have ever done anything in my life since I left university," he said. "I came into politics not because I have political ambitions but I saw the need for people like me to enter politics."

He said he was glad that he had helped establish a trend where successful people from the public service and professionals saw it as a duty to serve in politics.

He was not like the first-generation leaders, he added candidly, who preferred spending a life-time in politics.

His wish was to leave politics altogether, but he would not do so without the PM's concurrence and blessing. So far Mr Goh had not indicated when he could step down as an MP.

In any case, it is apparent that Mr Dhanabalan's departure had been well-prepared as he was moved from Kallang to Toa Payoh GRC [Group Representative constituencies], this election, where there is another minority MP, Mr Davinder Singh.

This means that a by-election is not necessary when Mr Dhanabalan steps down as the legal condition that the GRC must have a minority MP in the GRC will not be breached.

As for his future plans, Mr Dhanabalan said that he "has not quite decided". In any case, it was premature to discuss them as he still had another year to go—"an eternity in politics".

And in that year, he would work on policies such as allowing singles to own HDB [Housing Development Board] flats, the construction programme and the sale of shops.

On his successor, he noted that Tanjong Pagar MP and former HDB chief Lim Hng Kiang had been appointed Minister of State for National Development but added that the PM had the final say.

He declined to discuss what he would consider as the "high points" in his political career, saying with a laugh that this was not a "farewell" press conference.

"I am satisfied to have made a contribution. What the value of that contribution is not for me to say."

Education Minister Announces New Successor

BK0909113291 Singapore *THE STRAITS TIMES*
in English 7 Sep 91 p 1

[By Sumiko Tan]

[Text] Labour and Second Education Minister Lee Yock Suan will take over as Education Minister when Dr. Tony Tan steps down at the end of the year.

Announcing this yesterday, Dr. Tan also said that in his view, no further drastic changes to the education system were needed in the near future. "With the changes we have made, I think that our education structure is sound," he said at a press conference to elaborate on his impending resignation.

"No further radical changes should be needed in coming years."

However, the ministry will review programmes and innovations which have been introduced to see how they can benefit all children.

For example, the concept of independent schools, will be studied to see how they can be extended to neighbourhood schools.

This, he said, was part of the Government's policy to shift its attention away from the top 10 to 25 per cent of the population towards the lower 50 to 60 per cent.

"Our education system must benefit all children in Singapore, not only those who are gifted or those who are specially bright," said Dr. Tan, who has been Education Minister since 1985.

"Every child is valuable not only to his or her parents but also to the nation. Every child should be given the opportunity to develop to his or her full potential."

Dr Tan also announced that he will return to the Overseas Chinese Banking Corporation (OCBC) next January as its chairman and chief executive officer.

On the three to four months he has left in the ministry, he said that his priority would be to sort out the mechanics to implement improvement to primary and secondary education.

He will also be finalising details for starting up the fourth polytechnic and the open university. All these details, he added at a press conference in his ministry, would be resolved by December.

Asked why he was not staying to see the results of these programmes, he laughingly noted that the fruits of education policies would not be seen for about 20 years.

"By then, I would be in my seventies!" Dr. Tan, 50, said.

He said that while education policies must be viewed long-term, he was satisfied that the policies decided by the ministry over the past few years would serve the country well. While there would be new challenges ahead, the basic foundation had been laid, he added.

As to his views on the progress made by Malay students in recent years, Dr. Tan said that he was very encouraged.

He was especially heartened that Malay parents have realised the importance of English and mathematics, and have worked with Mendaki and the ministry to shore up their children's grasp of these two subjects.

Expressing the hope that the Malay community would continue to put the same pressure on its students, he foresaw the community uplifting itself even more.

On the challenges ahead for the incoming Education Minister, Dr Tan said that it was best for Mr Lee to comment on this.

But, he added, he had full confidence that Mr. Lee, together with Senior Minister of State Dr. Tay Eng Soon and Ministers of State Sidek Saniff and Ker Sin Tze, would form a "very strong team" to take the ministry ahead.

Journal Allowed To Circulate 2,500 Copies Weekly

BK0309131891 Singapore Singapore Broadcasting Corporation in English 1100 GMT 3 Sep 91

[Text] The Ministry of Information and the Arts will allow the ASIAN WALL STREET JOURNAL, the AWSJ, to circulate up to 2,500 copies per week from the first of next month. The ministry says the ASWJ has [words indistinct] to circulate the newspaper in Singapore under the Newspaper and Printing Press Act. It will be furnishing a security deposit of 200,000 [Singapore] dollars. The AWSJ stopped its circulation last October because of the amendment to the Newspaper and Printing Press Act.

Cambodia

Hor Nam Hong Discusses Situation, Issues

MAINICHI Interview

BK1209070791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 12 Sep 91

[Text] At 0930 On 9 September at the Foreign Ministry, Foreign Minister Hor Nam Hong granted an interview to (Yasuo Sutano), correspondent of the Japanese newspaper MAINICHI, on a number of topics related to a settlement of the Cambodian problem. (Yasuo) asked the minister to clarify the successful outcome of the talks

in Phatthaya, general elections, the process of elections in the future, and the policy of a new government.

The foreign minister briefed the correspondent on the success of the Phatthaya meeting at which all the Cambodian parties agreed on almost every issue, including the major military problem.

On the process of electing members of parliament to set up a constituent assembly which will become a National Assembly in the future, he said, our side has proposed the implementation of the traditional election—the single ballot—which has been practiced in Cambodia since 1947 and that Samdech Sihanouk has endorsed, but not proportional representation. However, Son Sann's side and the United States want general elections to be held using the proportional system. He said there are some 4 million voters in Cambodia and that thirty thousand people should have a representative.

On 20 September 1991, the Supreme National Council will meet with the five permanent members of the UN Security Council [UNSC]. And the minister expressed hope that the electoral issue would be resolved then by taking into consideration the people's desires as well, since this is a very important issue. Our side has already made a great many concessions and we have two primary ideas: first, we respect the framework document of the five UNSC permanent members; and second, we should reach a political solution with a view toward achieving national reconciliation and reconstruction. As for the term "genocide," it depends on the decision of the people and a future government. Our consent to allow the United Nations to organize general elections in Cambodia is more than what was agreed upon in Namibia. And we agree to let a new government adopt a liberal democratic policy as well. The SNC is not a government but only a representative, and a UN transitional authority in Cambodia will be allowed to supervise only the election-related works of the five ministries.

Thai Paper Reports Interview

BK1209015191 Bangkok THE NATION in English 12 Aug 91 p A5

[By Yindi Loetcharoenchok]

[Text] Phnom Penh—The Phnom Penh Government has expressed optimism that the issue of the electoral system will be worked out in New York to pave the way for the signing of a peace accord ending the 12-year-old Cambodian conflict.

Foreign Minister Hor Nam Hong said in an interview that while Phnom Penh still insists on the single ballot system as the Cambodian people are already familiar with the electoral system, it has not yet ruled out Sihanouk's compromise formula.

Prince Norodom Sihanouk proposed recently the combination of the Phnom Penh's proposal and the resistance's call for proportional representation.

"We are considering Sihanouk's formula," he said without further elaboration.

The single ballot system, he said, also provides an opportunity for the Cambodian people to know their representatives in the national assembly.

"We are still for the single constituency system. We think it is suitable for the Cambodian people. Our people have never known the proportional system," he said.

"Moreover, the people should know who they elect to represent their interests in the future national assembly," he said.

The Cambodian Supreme National Council (SNC), during its second round of meetings in Phatthaya last month, managed to tackle many thorny questions and was able to agree on troop demobilization and arms reduction, but it could not reach agreement on a formula for the electoral system.

While the tripartite Cambodian resistance fully supports "proportional representation", in line with the proposal of the five permanent members of the UN Security Council in their draft peace agreement, Phnom Penh opposes it and instead has been calling for a "single ballot constituency poll."

The former monarch proposed the adoption of the single ballot system which would, however, give additional parliamentary seats to political parties that win many votes in the general election without gaining that many seats.

Sihanouk said the Cambodian resistance faction led by his son Prince Norodom Ranariddh fully supports his formula but Phnom Penh and the two other resistance parties—the Khmer Rouge and the Khmer People's National Liberation Front—have yet to respond to the initiative.

Moreover, the prince has to convince the Perm Five in New York to adopt whatever formula is worked out by the Cambodian leaders.

Some top SNC members will hold an informal discussion on the issue when they meet this month in New York where they would represent a unified Cambodia in the annual UN General Assembly. Prime Minister Hun Sen will on Saturday lead the Phnom Penh delegation to New York.

Hor Nam Hong, who will accompany Hun Sen, expressed hope that the Cambodian talks in New York would end successfully and lead to the reconvening of the Paris International Conference on Cambodia.

"I am optimistic (about the SNC informal meeting in New York) ... I think so (that we could proceed to Paris conference), if we can achieve the final solution and resolve the question of the electoral system," he said.

Asked if Phnom Penh would insist on the inclusion of some reference to the past genocide in the Cambodian

peace accord, Hor Nam Hong said the issue "was already settled (last month) in Phatthaya.

He added that the commentary piece in the official Phnom Penh radio SPK was not "the official" stance. "It is the commentary of the radio, but not the official position," he said.

Some Bangkok-based Asian diplomats, who closely observed the Cambodian peace process, said both Phnom Penh and the Khmer Rouge did not raise the two issues of genocide and the A-3 police forces during the later days of the SNC meeting in Phatthaya leading to the belief that there had been a trade-off between the two parties where the issues were concerned and which would not re-emerge in subsequent Cambodian peace forums.

In Phatthaya, while Phnom Penh initially called for some reference on the genocide—a term usually referring to the 1975-1979 ultra-Marxist Khmer Rouge rule, the Khmer Rouge in return asked for the inclusion of Phnom Penh's A-3 police forces under the category of troops to be demobilized. Premier Hun Sen categorically rejected the Khmer Rouge's call saying the A-3 police forces had not been in existence in the past few years.

SPK Interview

BK1209124091 Phnom Penh SPK in French
1130 GMT 12 Sep 91

[Interview with Foreign Minister Hor Nam Hong by SPK on 12 September]

[Text] [SPK] Mr. Minister, what will be the main topic of discussion at the forthcoming informal meeting of the Supreme National Council (SNC) in New York?

[Hor Nam Hong] The only remaining obstacle to the signing of a global agreement on the Cambodia problem is the voting system, on which the SNC members failed to agree with each other in Phatthaya. And I think that it will be the central issue for discussion by the SNC members in New York.

[SPK] Considering the difference of positions among the SNC members on the issue, do you see any solution to that problem?

[Hor Nam Hong] We must remember that in Phatthaya, during the discussion on the polling system, only His Excellency Mr. Son Sann and his colleague, H.E. Mr. Ieng Muli insisted on the proportional representation system.

Samdech Norodom Sihanouk, chairman of the SNC, expressed his personal liking for the system of election by absolute majority. His Royal Highness Prince Norodom Ranariddh and (?H.E. Khieu Samphan) on behalf of his colleague did not express preference for either system.

Our people have never known the proportional representation system. They have been more familiar with the method of absolute majority constituency vote since

1947 which [words indistinct] permitted them to be personally acquainted with their representatives to the National Assembly.

Moreover, following a long period of war and sufferings, Cambodia needs stability and national reconciliation for the reconstruction of the country, whereas the proportional system will surely result in permanent political instability in Cambodia.

Anyway, this matter must be discussed and decided by the SNC members themselves during the coming meetings in New York and, if it ever takes place, again in Phatthaya.

Son Sann Explains Election System

BK1109120091 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 11 Sep 91

[Interview with Son Sann, Supreme National Council member and president of the Khmer People's National Liberation Front, by station representative Pol Ham "prior to his departure from Bangkok for New York via Paris"—recorded]

[Text] [Pol Ham] Before you leave for New York, Excellency, can you say whether there are any important issues to be raised for consultations during the forthcoming meeting of the Supreme National Council [SNC] of Cambodia in New York so that a final peace agreement can be reached?

[Son Sann] I would like to inform all our compatriots that we have already held countless meetings. If my memory does not fail me, there have already been seven of them, two each in Jakarta and Phatthaya, one in Bangkok, one in Japan, and one in France, and we have made great headway. And there are only a few questions remaining to be solved. The main residual issues are: first, the electoral system; and second, demobilization. We have already reached an agreement on the second issue in Phatthaya. We agreed to demobilize 70 percent of the forces and their weapons. The remaining 30 percent of the forces will be regrouped in cantonments and the remaining 30 percent of the weapons will be kept in a store under UN control.

I would like to emphasize, as this needs emphasis to make all Cambodians understand, that the key to the settlement of the Cambodia problem is who the brothers in Cambodia will choose—who you will trust to take care of the government in Cambodia and to rebuild the country. This key certainly resides in the elections.

Therefore, in response to the insistence of France's representative, Mr. Levitt, we agreed to demobilized 70 percent of our forces and arms and to keep the remaining 30 percent of the arms in a store under UN control. So that the elections can proceed really freely, we must stress that the remaining 30 percent of the forces and arms must be demobilized before the elections. This is only a reminder, as the four parties will surely agree to it.

No one would oppose it. Anyone who opposes it certainly does not want to let the settlement materialize. What then remains to be discussed? There is the electoral method, and, concerning demobilization, there remains the police issue. A civil police force should not be armed, or at the most they should be armed with small firearms only. Such a police force ensuring security in the communes and villages may be maintained. But we asked the four parties to disarm and dissolve any police force that is armed like a fighting force. This point is not yet finalized and we will raise it in New York.

Another major residual issue is the electoral system. The three resistance parties demanded that the elections be conducted according to a proportional representation system, whereas the Phnom Penh party insisted on a constituency electoral system. It is true that Cambodia was used to the constituency system. But Cambodia was peaceful in the past. We had a single administration and we had unity, solidarity, and good order in the country. Under those circumstances, we could conduct elections according to that constituency electoral system. But now with one part of the country under the control of the resistance and the other part under the Phnom Penh side, the situation is different. The Phnom Penh people have difficulties coming to the resistance-held areas, and vice versa. Moreover, in the event of elections, when about 300,000 Cambodian refugees along the border would return to the country, there would be a headache figuring out their domiciles, as we would not know who would be residing where. If we take the constituency system, the newly arrived brothers would not be included in the lists of voters. Moreover, those in control of Phnom Penh may remain armed and may coerce them.

In the past, all Cambodians were in harmony with each other. There were few disputes and little fighting like there has been over the past 20 years. Furthermore, if we conduct the elections without taking precautions, there may be retaliation in the future. The party in control would ask why the people in one village voted for another party and not for it. The ruling party could mistreat those who did not vote for it in the future. Therefore, if the constituency system were applied, the party in control of a given constituency would know who did not vote for it and would take reprisals against them. For this reason, we on the resistance side demand that the elections be conducted according to the proportional representation system. This means that all the ballots are to be counted in Phnom Penh and no one will know who has voted for which party. In this way there would be no reprisals against the voters in the future. Moreover, the elections via this method are faster, thus responding to the instruction of the Big Five, who have insisted that the elections be quick and not repetitive. But in a constituency voting method when there is no outright majority of votes, another election has to be called. This would make the process time-consuming and arduous, to the dismay of the UN supervisors, who are opposed to such elections. Moreover, the proportional system does not mean

that the compatriots would never know their own representatives, because each party would nominate their candidates. Supposing, for example, there are 120 constituencies in Cambodia; each party would nominate its 120 candidates. Thus the voters know that this or that man works in such and such a constituency if elected. After elections, the winning party would take their candidates to meet the people and put them in the constituencies to serve the people.

This is the comprehensive way. Without this method, the Big Five will not agree, for this is the solution they want. If we keep altering their solution too much, some of the big countries will not be happy and in the future we would be in conflict with these big countries. Therefore, fast, smooth elections in conformity with the choice of the Big Five, who consulted with one another for the entire year of 1990, would mean elections according to the proportional representation system. As for the other secondary issues, they do not bear much weight. They would be settled.

I would like to inform the brothers that the Phnom Penh party repeatedly demanded that the 26 November document be altered. I would not mind a few alterations, but too many alterations would not be acceptable to some of the big countries. When I have time, I will inform the brothers and the venerable monks in Cambodia why we should not contradict the Big Five.

[Pol Ham] Thank you, Your Excellency the president of the Khmer People's National Liberation Front [KPNLF]. You have already informed the compatriots, our listeners, of the problems to be discussed in the coming meeting and you have also told them of your stance in support of the KPNLF's idea. Looking ahead, do you expect any results from the meeting in New York?

[Son Sann] I am full of hope, for our four parties have been talking to each other since 1988. We know each other well. We know each other's stance. For this reason, I am confident that all of us really care about the fate of the Khmer people, the fate of Cambodia, which, according to the international community, is now on its knees—the Khmer people are deprived of everything, having no food, no safe shelters, and they are now experiencing serious floods that are aggravating their seemingly endless misery. The four Cambodian parties should trust each other and work together to quickly settle the Cambodia problem so that the big countries and wealthy people who still sympathize with Cambodia will come to our rescue. I am confident that in the UN Assembly in New York, with the assistance of countries that support the solution of the Big Five, we Cambodians will agree with each other in solving all the remaining problems so that after New York we can return to Paris and, in the International Conference on Cambodia, finalize the Cambodia settlement. Only after this settlement is finalized will the United Nations come to our rescue. If no settlement is reached, the peacekeeping force will not be sent and assistance will not be given.

There is some assistance now, but it is only emergency humanitarian aid, not comprehensive reconstruction aid. This aid will come only after we agree to sign a comprehensive settlement in Paris.

[Pol Ham] Thank you, Your Excellency the president of the KPNLF. Before concluding this interview and before your departure for a place far away from the motherland, do you have anything else to say to the venerable monks and compatriots in Cambodia?

[Son Sann] My respects to all monks, dear compatriots: Since the beginning, my only wish has always been to serve our compatriots and to help end their misery. For the past 12 years we have been fighting to liberate our country from the Vietnamese aggressors. Now, let me inform all compatriots and venerable monks that not all Vietnamese have left our country. You are familiar with this. Some have said that all Vietnamese have been withdrawn. But I, and all of you inside the country, know very well that that is not true. Many Vietnamese troops, advisers, experts, and colonists remain in Cambodia. Therefore, if we manage to settle all the problems in New York, the United Nations will send its international force to verify if all Vietnamese troops have pulled out. Only then will we be sure. That is one thing. Another thing is that all Cambodian parties are asked to be disarmed and no one party will be allowed to seize power by force, for the international force will be in control. Third, the UN personnel will cooperate with the four Cambodian parties within the SNC in order to arrange general, fair, and free elections. The solution will then come to its end. When this is settled, the Big Five, the whole of the United Nations, and rich countries such as Japan will help rebuild our country. Shortages will be met and settled.

For this reason, I appeal to all four Cambodian parties, not just any one party, to have pity on our long suffering Cambodian people. In some regions, I have learned that people have even committed suicide because of hunger, while others have died from famine. And now the floods have brought even greater misery. What we have to do is to let the international community come and help. If we remain wishy-washy, reluctant, and always seeking to alter the solution of the Big-Five, the Big Five might become disgusted and stop paying attention to our Cambodia problem; for in the world at present there is not only the Cambodia problem, there are problems everywhere: in Africa, among the Arab countries, and in Europe. In particular, there is now serious fighting in Yugoslavia. Europe is trying to mediate in the conflict and it even promises to help rebuild Yugoslavia. And all of you must also know that there is a big problem in the Soviet Union, where communism has already been discarded after being born there in 1917. Even the cradle of communism now has renounced it. You therefore should not hold Cambodia to communism. In the Soviet Union the people are now very powerful. Gorbachev himself has wanted to turn his country into a free regime. Some leaders then staged a coup, but it failed because the

people in Russia, in Moscow, did not hesitate to demonstrate under the leadership of Yeltsin. Those who staged the coup were then forced out of power. They have all been arrested and tried. Therefore, the birthplace of communism has already become a democracy. This should be a lesson for our people who must not be afraid to express themselves. You should make the world know that the people in Cambodia do not want communism to be in control. Let the world see that and the world will come and give us assistance. The world wants to help Gorbachev because they do not want to see Gorbachev fall. If Gorbachev falls, there will be a lot of trouble. Therefore, Europe and America, as well as [word indistinct] will give financial aid to Gorbachev, who has asked for \$800 billion. And the rich countries are ready to help him.

How can we be so wishy-washy and keep altering the peace plan all the time? This can only make the big countries feel fed up. They will give us only token aid. When we finally deign to agree with each other and then beg the Big Five for aid, these countries will tell us to our face that they are helping countries in Europe, Africa, Yugoslavia, etc, and they have not much left to help Cambodia. How then will we be able to assist the compatriots who have been suffering for years? Where will we get aid to build our country, to bring it peace and prosperity? Then it will be too late for us. For this reason, I plead with all the leaders of the four Cambodian parties to agree with each other in New York and settle all the few remaining issues in the interest of the nation and of the Khmer people. Let us not make the big countries disgusted. Let us make them come and assist Cambodia quickly. This is my plea. I thank all venerable monks and people for listening to me. I thank all compatriots inside Cambodia. Please pray for us.

[Pol Ham] On behalf of the listeners of the Voice of the Khmer throughout the country, I would like to thank His Excellency Son Sann, president of the KPNLF and member of the SNC, for making this statement to the venerable monks and Cambodian compatriots. Thank you.

[Son Sann] I also thank you for kindly allowing me to inform our venerable monks and beloved compatriots of the current situation.

[Pol Ham] Thank you, Sir.

KPNLF Appeal for UN Plan Acceptance Reported

BK1209081191 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 12 Sep 91

[Text] The Khmer People's National Liberation Front [KPNLF] has appealed to other Cambodian parties to quickly accept the peace plan of the five major countries without any further delay so that the international community can provide sufficient assistance to the Cambodian people who are starving and suffering from floods and in order to quickly rebuild Cambodia.

In a communique dated 10 September, the KPNLF with His Excellency Son Sann as president said over the past 20 years, Cambodian people in many areas in Cambodia have suffered serious shortage of food, particularly those living in the Western part of the country under the control of the regime propped up in Phnom Penh by Vietnam. The shortage of food and rice is caused by negligence and inappropriate organization of the current communist regime in Phnom Penh. A lot of Cambodian people have fled to live in zones under the KPNLF control to seek food. On 9 September alone, 494 families fled from Puok and Kralanh District in Siem Reap Province.

The KPNLF statement further said while famine occurs in Cambodia, there are also floods in 10 provinces. Hundreds of Cambodian people have died; tens of thousands more are deprived of shelters.

Faced with famine and this disaster, the KPNLF has the duty to appeal to other Cambodian parties to quickly accept the UN peace plan without any delay to enable the international community to come to the assistance of the Cambodian people and to rebuild Cambodia. The KPNLF said discussions and demands to alter this peace plan delay a solution for peace in Cambodia and constitute a crime against the suffering Cambodian people and against mankind.

Earlier, the Cambodian Supreme National Council requested and received some aid from various countries for Phnom Penh to distribute to flood victims in zones controlled by the Hun Sen regime. Delay in the implementation of the UN peace plan results from the Hun Sen side's demand to alter many points of this peace plan.

Indonesia

Singapore Navy Chief Visits, Views Exercises

BK0609120591 Singapore THE STRAITS TIMES in English 5 Sep 91 p 13

[Text] Jakarta—Joint training exercises such as those conducted between the Indonesian and Singapore Armed Forces contributed towards developing regional stability and resilience, according to the Indonesian Armed Forces chief General Try Sutrisno.

General Try added that this in turn would help the development efforts of the regional countries.

His comments were made during a meeting on Tuesday [3 Sep] with the visiting chief of the Republic of Singapore Navy, Commodore Teo Chee Hean.

Gen. Try's comments were reported by the Indonesian Armed Forces newspaper, ANGKATAN BERSENJATA, yesterday.

The visit by Commodore Teo, who assumed his appointment as Navy chief in June, was in keeping with a practice adopted by ASEAN commanders of paying

introductory calls on their counterparts and defence officials in neighbouring countries.

He arrived here on Tuesday for a three-day visit and apart from Gen. Try, also called on Defense and Security Minister Benni Murdani and Indonesian Navy Commander M. Arifin.

ANGKATAN BERSENJATA reported Commodore Teo as saying that he hoped that cooperation in areas such as joint training would continue.

Commodore Teo returns to Singapore today.

Minister Doubts EC Pledge of No Protectionism

BK2908114391 Jakarta ANTARA in English 0942 GMT 29 Aug 91

[Text] Jakarta, Aug 29 (ANTARA-ECOANA)—Indonesia still doubts assurances given by European Community (EC) officials that the establishment of the European single market in 1992 will not lead to heightened protectionism.

Indonesia has not been fully convinced by the pledges, Trade Minister Arifin Siregar said at the opening of a Trade Ministry meeting in the capital on Thursday. The meeting will last through Saturday.

"West European officials have indeed given assurances that they will not become more protectionist. We are hoping the promises will be true. But we still have our doubts," he said.

Several West European countries with slower economic growth rates have demanded that the European single market should not be too open to import goods.

Greece, he cited, has on many occasions goaded the 11 other EC countries not to liberalize their textile market too much.

For this reason Siregar urged Indonesian Trade Ministry officials to follow closely world economic developments which, directly or indirectly, would affect the Indonesian economy.

To facilitate penetration into foreign markets, such as in Europe, Indonesia has to take strategic steps aimed at building contacts with local business people, he pointed out.

The establishment of centralized warehouses in other countries for the distribution of Indonesian export goods is one such step, he added.

Another one would be investment cooperation with local businesses in the target countries.

Energy Minister Discusses Electricity Supplies

Urges Nuclear Power Plant

BK2808101191 Jakarta ANTARA in English 0908 GMT 28 Aug 91

[Text] Jakarta, Aug 28 (ANTARA-ECOANA)—The use of nuclear energy to generate electricity is inevitable especially because Indonesia's oil/gas reserve is getting limited, Mines and Energy Minister Ginanjar Kartasasmita said here Wednesday.

Before a dialog forum organized by the KNPI [Indonesian National Youths Committee] Youth Organizations and the National Atomic Energy Board (BATAN), he further said that the construction of a nuclear power plant should be prepared as of today.

The government already possessed a political will to study the feasibility of constructing such a plant, he said adding that "Now we will only have to wait for the results of the feasibility study."

Such a study, according to Ginanjar, hopefully will be completed in about four years.

Indonesia's first nuclear power plant, following the completion of the study is expected to be operational by the year 2005, he said adding that compared with power plants generated with other energy sources, such a plant would be more environmentally clean and efficient.

On concerns over the danger of a nuclear power plant, Ginanjar said accidents like that in Chernobyl (Soviet Union) several years ago is mainly caused by the human factor, not because there was something wrong with the technology.

Of the 426 nuclear reactors all over the world, only two suffered from serious accident so far, the first was in Chernobyl where 28 people were killed and the other was in the Three Mile Island (the U.S.) for which no casualties were reported.

Ginanjar said that the two accidents would enable Indonesia to carry out better preparations in setting up a nuclear power plant. He, however, also conceded that the use of nuclear energy still faced some basic problems including decommissioning or waste processing cost which totalled around 50 million U.S. dollars.

Moreover, he went on, many developing countries also consider the initial investment for constructing a nuclear power plant too high.

Nevertheless, many countries now tend to turn to such a plant including France where 75 percent of its electricity generating plants are nuclear-powered while Japan as well as South Korea respectively 30 percent, he said.

Tells Industry To Conserve

BK0409101391 Jakarta ANTARA in English 0828 GMT 4 Sep 91

[Text] Jakarta, Sept. 4 (ANTARA-ECOANA)—Mining and Energy Minister Ginanjar Kartasasmita on Tuesday asked industries in the country to seriously conserve energy due to a heavy increase in energy consumption in the last few years.

"Industry is an important area for promoting the national energy conservation drive because it is the biggest consumer of commercial energy," he said, adding that it absorbed around 37 per cent of the total energy consumed in the country.

The potential for energy conservation in industry was recorded at nearly 10 per cent, according to a study carried out by the permanent national energy conservation team among 100 industries, he said at the opening of a national workshop on energy here.

Among industries which were set up before or just after World War II, the potential was recorded at more than 30 per cent, he added.

The campaign for energy conservation had so far shown good results, the minister said.

Nationally, however, energy [word indistinct] had been increasing at an alarming rate, he said.

In the first half of the 80s, commercial energy consumption grew at an average rate of 5.2 per cent but in 1990 it bounced to around nine per cent a year, he said.

The rate of oil fuel consumption in the country was even more alarming, at around 14 per cent last year, and estimatedly 12 per cent this year, he added.

"Particularly with regard to fuel oil consumption, I have always reminded that unless we work very hard to economize consumption we will very likely become a net importer country before the 21st century," he said.

Minister Ginanjar said it was difficult for the State Electricity Company, PLN, to meet the demand for electricity in the industrial sector in spite of the commissioning of new plants.

Electricity consumption had always been increasing, he said, referring to the 17.2 per cent increase in 1989-90 and the 18.4 per cent in 1990-91.

He said the government was continuously increasing efficiency in electricity conservation.

Proposes Imports From Singapore

BK3008135391 Jakarta ANTARA in English 0945 GMT 30 Aug 91

[Text] Jakarta, Aug 30 (ANTARA-ECOANA)—The State Electricity Company PLN is studying the possibility of an interconnection system under which Indonesia's Batam Island will get electricity from neighboring Singapore.

The power-sharing scheme is one of possible alternatives for solving power shortage (due to rising demand) on Batam where Indonesia is developing a giant, international industrial estate, Mines and Energy Minister Ginanjar Kartasasmita explained.

He was speaking to the press after opening a Mines and Energy Ministry Pensioners Organization (PPDPE) meeting here on Friday.

"After the Batam Authority has fully transferred the management of electricity supply on the island to PLN in the near future, the proposal for a Batam-Singapore power interconnection system could be opted as a quick and cheap solution," Ginanjar said.

Singapore offered to "export" about 100 MW [megawatts] of electricity from its surplus capacity to Batam through the construction of an interconnection system during the recent 10th ASEAN Economic and Energy Ministers Conference in Singapore.

To establish the system, a 28-kilometer submarine cable would be laid down to link Singapore to Batam within a period of about 22 months, PLN Chief Director Erman-syah Jamin said recently.

The future tariffs for the "imported" power supply are still being studied, Ginanjar said. However he pledged that they would be kept competitive and attractive to industrial users.

Another option being contemplated by PLN is the construction of a gas-powered electricity generation plant on Batam, which is being developed as part of the Batam-Singapore-Johor (Malaysia) "Triangle of Growth."

"I think the use of gas would be more beneficial than coal or fuel oil as a source of power for electricity generation on the island," Ginanjar said.

Philippines**Reactions to Base Treaty Issue Continue****Communists Declare Cease-Fire**

HK1209104391 Hong Kong AFP in English 1039 GMT 12 Sep 91

[Text] Manila, Sept 12 (AFP)—Filipino communist guerrillas declared a nationwide ceasefire Thursday in response to the Philippine Senate's apparent determination to kill a new military base agreement with the United States.

"We hereby declare a unilateral ceasefire by all units of the New People's Army (NPA) as of midnight tonight, September 11 (1600 GMT)," the National Democratic Front (NDF) said in a statement to news agencies here dated Wednesday.

The NDF, a banned political organization grouping the Communist Party of the Philippines (CPP), the NPA

and other leftist groups, said the truce was "in conformity with our pledge to declare such a ceasefire once a clear trend develops in the Senate to reject the treaty."

Twelve of the 23 Filipino senators voted in preliminary balloting Monday to uphold a proposed resolution rejecting a new 10-year U.S. lease on Subic Naval Base.

The agreement needs 16 favorable votes in a final round either Friday or Monday to be ratified, and only eight negative votes or abstentions to kill it.

The NDF statement said that while its forces will refrain from making "tactical offensives," it was "ready to defend ourselves and the people from any enemy offensive action in the cities and in the countryside."

It called on the government and the military to refrain from attacking rebel units, and urged the Senate to "hold firmly on to their patriotic stand to categorically reject the (treaty) and leave no ground for any other entity to allow (its) retention."

"It is hoped that a cessation of armed hostilities by both sides will pave the way for the immediate start of peace negotiations between the government and the NDF, towards the comprehensive political settlement of the armed conflict in our country," the statement added.

Senators Welcome Communist Truce

HK1209135091 Hong Kong AFP in English 1306 GMT
12 Sep 91

[Excerpts] Manila, Sept 12 (AFP)—Philippine communist guerrillas announced Thursday they had called a nationwide ceasefire as the Senate moved to scuttle a treaty extending the U.S. lease on Subic Naval Base for 10 more years. [passage omitted]

Senators for and against the bases Thursday welcomed the NDF truce declaration.

"At face value, the ceasefire is good," pro-treaty senator Jose Lina told reporters.

Senate defense committee chairman Ernesto Maceda said the military "should give it the benefit of the doubt and call informal talks."

"Anything that may save the life of a soldier, a civilian or a rebel is a welcome move. Let's hope it will lead to a permanent one," said Senator Rene Saguisag, who, like Maceda, opposes the treaty.

The lone opposition senator, Juan Ponce Enrile, who was a former defense minister, said he thought the NDF were "faithful to their pledges."

Army Prepares for U.S. Pullout

HK1209065091 Manila BUSINESS WORLD
in English 12 Sep 91 p 12

[By Ma Caridad S. Bautista]

[Text] The military, in trying to cushion the impact of a possible Senate rejection of the bases treaty, is setting in place programs to fill armament needs, a ranking official said yesterday.

Brig. Gen. Manuel Mariano, Armed Forces of the Philippines (AFP) Logistics Command [LogCom] chief, said the military is trying out at least two locally built armored personnel carriers (APCs) that can be produced in large numbers with minimal costs.

The Philippine Army alone needs 80 APCs to fill up armor deficiencies in the counterinsurgency campaign.

Gen. Mariano said they have mapped out contingency measures, including the production of "better arms, better ammunition and better mobility," that can cover the vacuum expected to be created by the U.S. pullout.

"The biggest problem is money," said the LogCom chief. The U.S. has offered to provide \$103 million yearly in military assistance for ten years and \$150 million per year in Excess Defense Articles (EDA) for seven years for the continued use of Subic Naval Base in Zambales.

Gen. Mariano said the AFP is currently reviewing and strengthening the Self-Reliance Defense Program (SRDP) which has already enabled the military to produce most of its rifles, ammunition and communication equipment.

Expected

"We have been anticipating this," he admitted, referring to the possible rejection of the bases accord.

He added, however, that the SRDP has been "hamstrung" by lack of funds. He said their budget this year was a mere P [Philippine pesos] 29 million.

Despite the limitations, he said the AFP is now trying out two APCs—the Hari-Digma [Battle King] I and Hari Digma II. These will replace the U.S.-built V-150s or provide a cheaper alternative to the British-made Simba which the Army wants to build in the country.

The local version of these APCs will cost 40% less than the V-150, Gen. Mariano said.

Hari Digma II

The Hari Digma II can withstand .30 caliber bullets and can run for another 50 kilometers with all four pneumatic tires flat.

It can also carry up to 11 soldiers with their combat equipment. It is armed with a 7.62 mm machinegun that can fire 900 rounds per minute.

The locally built engine will also solve the problem of spare parts.

Gen. Mariano also disclosed that almost half of the M-151 Kennedy-type jeeps supplied by the U.S. in 1986 can no longer be used because of lack of spare parts. The U.S. has provided about 2,500 jeeps to the AFP.

Israeli Jets

As this developed, the military said it has decided to forgo its plans of acquiring modern fighter jets from the U.S. and had instead placed an order for Israeli-made Kfir combat planes.

Philippine Air Force chief Maj. Gen. Loven C. Abadia said the 18 Kfir jets from Israel will arrive before the end of this year.

He added that Government can ill-afford to buy the U.S.-built F-16 which the military had previously wanted. Each F-16 costs \$35 million while one Kfir costs \$7 million.

Gen. Abadia said he had tested the capability of the Kfir during his last visit to Israel and found it suitable for Philippine defense needs.

Politicians on Post-Rejection Plans

HK1209095391 Quezon City GMA 7 Radio-Television Arts Network in English 1445 GMT 11 Sep 91

[Interview with presidential aspirants former Secretary of Agrarian Reform Mirriam Defensor Santiago and Senator Joseph Estrada by host Louie Beltran on "Straight From the Shoulder" program—live; italicized passages in Tagalog]

[Excerpts] [Louie Beltran] *The Senate will reject the treaty. That seems already certain. Many are saying that is the start of our suffering, while many antibases advocates are saying that is the start of our freedom and sovereignty. Whatever happens will surely have a great effect on our country.* The changes that would take place will be cataclysmic or even chaotic, depending on your point of view. So, it will not be so much a problem of the present administration. By May of 1992, there will be a new president.

The two probable, possible presidential candidates are here with us tonight. They are former DAR [Department of Agrarian Reform] secretary, former Immigration Commissioner, Doctor of Law, graft buster; she's been described as Asia's number one graft buster; Dr. Attorney Miriam Defensor Santiago. And we have also Senator Joseph Estrada. One critic said that movie stars should not join politics, and Senator Estrada; and now when we look at the fact that Senator Estrada is probably the best mayor San Juan ever had. He arrived in the municipality full of bad goons, bad policemen, destitutes, everything; when he left, he left concrete roads. He left honest policemen. He left an administration with plenty of money. I don't know what has happened since then. But he proved that his roles in the movies, he could translate into reality. Now, the presidency is something different. However, a lot of people were surprised when he has been...[changes thought] when he involved himself in many academic intellectual issues like the bases agreement.

Perhaps, foremost, the first question will be...ladies first. Attorney Santiago or Secretary Santiago, you know it

looks like the Senate is going to reject the treaty. If the scenario, I don't know if you agree with the scenario; the doomsday scenario presented, our economy will go down the drain, we would be politically unstable, the military is "restless," etc. What if you become president in 1992? It's only nine months away. So it's not a far-fetched idea. You come in in May, you take your oath by July I guess, 1 July or right after 13 June if there are no problems to take over. How are you going to handle the situation left by this rejection of the bases treaty?

[Mirriam Defensor Santiago] In 1992, in a landscape where the American military bases are no longer a feature, almost inevitably, the highest priority in the president's agenda should be the unemployment problem. For today, we have one of the highest unemployment rates in this part of the world. It is running at about 15 to 17 percent...

[Beltran, interrupting] Four and half million Filipinos.

[Santiago] That's right. Whereas the standard unemployment rate in developed countries is running only at about 3.5 percent. And this translates to the statistics, as you pointed out, that in a work force of 27 million Filipinos today, even as I talk to you, Louie, 4.6 million Filipinos are jobless. This means therefore, that the economy will have to create 1.24 million jobs a year. And this necessitates at least 148 billion [Philippine] pesos in capitalization. Billion with a B.

So, highest priority in the new president's agenda, therefore, should be the generation of employment for all the 4.6, or by that time may be over 5 million unemployed Filipinos. Or to put it more pragmatically, for every five Filipinos in Metro Manila today, at least one is unemployed and is unable to sustain a family. So, this will become then the biggest problem facing the president, and one that he should address immediately.

[Passage omitted]

[Beltran] One other problem we're going to have is the military. They say that...[changes thought] well, I don't really believe that they'll go under, you know, without the bases agreement. But they will suffer. They will suffer a lack of equipment, a lot of...[changes thought] so that's going to be another expenditure for the next president, for the next administration. How would you solve the military problem?

[Santiago] Out of the about \$203 million that we were supposed to receive under this pending, this proposed Republic of the Philippines-U.S. Treaty of Friendship, Cooperation, and Security, about \$100 million were earmarked for the upgrading of military facilities. But, if the treaty is not ratified or concurred in by the Senate, by Monday [16 September], then the military will simply have to forego the \$100 million a year. The question is, from where shall we source the \$100 million. We'll have to source it from our own economy, is the basic answer.

[Beltran] For that means \$148 billion plus three billion, we are already into the 151 billion.

[Santiago] Yes.

[Beltran] We will just have to make the BIR [Bureau of Internal Revenues] and the Customs collect better.

[Santiago] No matter how much we accelerate the speed of revenue collection in the BIR, in the Bureau of Customs, it cannot stand as sole replenishment for the source that will dry up if the treaty is not signed.

[Beltran] Just looking at the outside source.

[Santiago] We'll simply have to concentrate on these three strategies: the development of our export-oriented industries, the liberalization of the investment climate, and the development of the tourism industry.

[Beltran] Alright, let's ask Senator Joseph Estrada. You know, Senator Estrada, you're one of the people who "will be responsible for the doomsday scenario" where there will be a loss of jobs, the economy is going to suffer, etc., etc. What if you become president in 1992...[changes thought] July 1992 is less than a year away. You suddenly have to take your oath there at the Luneta, I guess, and then here you are entering Malacanang, what's going to be your first...the first thing you're going to do? Because by then, the effects of the rejection of the treaty will be felt. I think even you admit that there will be some bad effects, as well as some good effects. What are you going to do?

[Joseph Estrada] Well Louie, as you said, I'm the candidate of the masses, can I speak in our...

[Beltran, interrupts] Sure. Okay. Yes.

[Estrada] ...native tongue. You know, Louie, we should first give priority to our national unity. We need genuine reconciliation through total amnesty; because in my opinion even if you have the best legal economic development plan, but if we are divided, like now, we have the MNLF [Moro National Liberation Front], we have the NPA [New People's Army], we have the military rebels, we have the leftists, the rightists, the loyalists, even if we have the best development and economic plan, if we are so divided, we cannot take off the ground...

[Beltran, interrupting] Because our money was being consumed in these fights.

[Estrada] Yes, in fights. That is why the Americans are so happy. We keep on importing ammunition from them and we use it to kill our fellow Filipinos. So, the best thing is to unite the Filipinos first by giving genuine reconciliation through total amnesty. Even those abroad, let us permit those cronies to come back. Whatever the ill-gotten wealth will be brought back here and let us give them amnesty provided that they will live and invest here. So, I believe there should first be unity among the Filipinos; and then after giving amnesty, we'll apply the full force of the law. We'll restore respect for law and order. So once we attain that, our country will be conducive to foreign investment.

They are afraid of us because they are afraid of labor, graft and corruption, red tape, these we must erase. What the people see in us is only the stealing within the government; but in the other sector, they do not see that there's greater stealing here, even billions upon billions. In the private sector, they come in the form of tax evasion, illegal tax rebates, these are worth billions. So, what is happening in our country is that the incoming money is being stolen, at the same time, those which are going out are also being stolen. So, we must check this. If we are able to check this, we will be able to save a lot. Then, after preserving law and order, it will be conducive to foreign investors. That is what I did with the municipality of San Juan. When I was able to clean up graft and corruption in San Juan and when I was able to professionalize all of the police. I did not call the businessmen, they came to San Juan and invested there. So, that is also applicable nationwide.

[Beltran] So, if you become president, the priority is unity?

[Estrada] Unity.

[Beltran] So, we will have a motive post to advance forward.

[Estrada] We will have greater unity because the Americans will no longer be here. No one will meddle with us.

[Passage omitted]

[Beltran] Alright, many of our viewers perceive your vote against the treaty as...[changes thought] they seem to say that you were grouped with the leftists that is why you decided to also oppose the military bases treaty. Why?

[Estrada] I am left-handed when I write but my mind is not leftist. Anyway, I've been invited by the other organizations but I told them that I will not allow myself to be used by any organization that espouses foreign ideology. It was just really coincidence that our Constitution was very specific on two provisions, that two specific provisions against the military bases, and against the nuclear weapons. That is carried by two specific provisions in our Constitution. Well, I do not know with them, the Constitution is in English but they cannot understand.

[Passage omitted]

Antibases Senators Unmoved by Risk

HK1209071991 Quezon City MALAYA in English
12 Sep 91 pp 1, 6

[By Cris Larano]

[Text] Anti-bases senators yesterday conceded their stand might cost them their political careers but said it is a "risk worth taking."

Except for Sen Rene Saguisag (LP) [Liberal Party], all 12 senators who signed the resolution on non-concurrence with the bases treaty are planning to run in next year's elections.

Four of them—Senate President Jovito Salonga (LP), Senate Minority Floor Leader Juan Ponce Enrile (NP) [Nacionalista Party], and Senators Joseph Estrada (PMP) [Party of the Philippine Masses] and Aquilino Pimentel (PDP-Laban) [Philippine Democratic Party-Nation's Strength]—are known to be aspiring for the presidency.

Salonga said repercussion of his "No" vote on his political ambition "is only secondary."

Surveys show the people overwhelmingly are in favor of the continued stay of the U.S. bases.

Enrile said the virtue of leadership lies in making unpopular but necessary decisions.

"I have always taken risks during my whole political life. This is just one of them. This is a gamble we have to take and I think it is worth it," he said.

Estrada said he is unperturbed by the threat of political extinction.

"My political interests and personal ambitions are subordinate to the welfare and interest of the country," he said.

Sen Ernesto Maceda (PMP) said their vote "is a matter of conviction and we should be credited for this" instead of being condemned by the electorate.

Maceda said he is confident the people will judge him and his colleagues based on their performance as public officials. "I have a long record of hard work that I can stand on," he said.

Pimentel said his decision "is just part of a hard day's work."

"If it will cost me my political career, let it be. I will not barter my principle for a few dollars," he said.

Pimentel also expressed confidence there is "a place in the Philippines for a politics of principles, not convenience."

Senate Majority Floor Leader Teofisto Guingona (LP) said: "Public opinion changes. What may be regarded as minority opinion now may become the majority view in the future."

Sen Agapito Aquino (Bandila) [People's Unity in Spirit and Aim] said: "Let the future be what it will be. What is more important is to concentrate in building the country."

Sen Orlando Mercad (LP) said he has carefully weighed his position and "I am ready to accept whatever its consequence may be."

"It is really difficult to row a boat against the tide. But I think popular opinion is on our side. Many among us are just suffering from separation anxiety," he said.

'Floor Deliberation' Continues

HK1209112591 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 12 Sep 91

[Text] Pro-bases senators are almost giving up on struggling for the ratification of the bases treaty. The vote on the second reading is scheduled for tomorrow.

Some of these senators have already presented the opinion of the opposition for the orderly withdrawal period. Even antibases Senators Rene Saguisag and Butz Aquino will forward their proposed options.

Meanwhile, a heated debate ensued between Senators Ernesto Hererra and Ernesto Maceda. Hererra reportedly would like to let hundreds of bases workers enter the session hall to witness tomorrow's vote. Maceda rebutted that the Senate rules and regulations should be followed because many others would also like to witness the goings on in the session hall. The floor deliberation of the senators still continues at this moment.

Senators Disclose Delay Plan

HK1209112891 Hong Kong AFP in English 1101 GMT 12 Sep 91

[Text] Manila, Sept 12 (AFP)—Philippine senators backing a new 10-year military base treaty with the United States disclosed plans Thursday to delay a decision on the issue until the May 1992 national elections.

Senator John Osmena, a member of a minority group trying to save the treaty from imminent rejection in the 23-member assembly, said U.S. forces could be allowed to stay in the country while the matter remained unresolved.

"The whole idea is to keep it hanging and not to come to a definite resolution of the issue," he said as the final debate continued.

Osmena suggested that Washington could invoke an earlier understanding that American troops would be given one year to withdraw if the treaty was not acted upon by the time the current base agreement expired on September 16.

This one-year delay would overlap with the May 1992 presidential, congressional and municipal elections.

In the meantime, the pro-treaty faction can seek a popular referendum on the issue or a constitutional amendment stripping the Senate of exclusive powers to ratify any treaty entered into by the executive branch, he said.

Treaty backers have said that if all else fails, the United States could wait for the elections then renegotiate with the new government, but U.S. officials have rejected this scenario.

President Corazon Aquino has endorsed proposals to submit the treaty to a popular referendum after surveys showed that a majority of Filipinos supported the U.S. military presence.

However, the 1987 Philippine Constitution requires any treaty to be approved by two-thirds of the Senate, or 16 votes, and for a referendum to be called afterwards to confirm its passage.

In a preliminary vote, 12 senators rejected the treaty while only 11 supported it. The final vote is expected by Monday.

Executive Secretary Franklin Drilon, Aquino's chief aide, told journalists Thursday that the referendum idea was still under study.

Under an alternative plan being considered by Aquino's office, the administration would invoke a law allowing the plebiscite on an act of Congress, if at least 10 percent of voters signed a petition questioning it.

Senator Aquilino Pimentel, who opposes the draft agreement, said this only applied to laws enacted by Congress, not treaties, adding that the pact's supporters were already "clutching at straws" to save it.

Meanwhile, Central Bank governor Jose Cuisia said Thursday that the country stood to lose 350 million dollars in new loans this year if the treaty was rejected, but that it would not feel the full effects until 1992.

Cuisia, reacting to the imminent rejection of the treaty, said that for the rest of 1991 "we will not be affected. The effect will come in 1992 when we will be hardest hit."

He said the loss of loans would mean government targets for its 1992 deficit and foreign exchange shortage would have to be adjusted upwards.

The government is exploring alternate sources of revenue to make up for the loss of the U.S. base-related assistance.

Government sources said officials were studying new taxes and the possibility of selling off government land, such as five high-priced properties in Japan.

The sale of these properties was originally scheduled for 1990, but was called off after the Supreme Court declared it illegal without the consent of Congress.

Cuisia reiterated his warning that the United States, which has a strong influence in the International Monetary Fund (IMF) and the World Bank, might not provide support for the Philippines in its foreign debt negotiations.

Under the new treaty, the Philippines was due to receive 2.2 billion dollars over 10 years in economic and military assistance.

Part of the money would be used to buy back some of Manila's commercial debt papers.

Senators Comment on Debate, Rally

BK1209121791 Bangkok THE NATION in English
12 Sep 91 p A5

[By Cristina Pastor]

[Text] Manila—for many Filipinos, it was a day rich in irony, and in the end—shame.

Philippine President Corazon Aquino led a rally where tens of thousands were bused into Manila to be entertained by a gaggle of actresses and comedians led by her daughter Kris.

While other nations around the world are on the march to drive away foreign troops from their nations, Aquino led a rally begging US to stay in her country.

"Can you imagine a president in a rally asking foreign troops not to leave. It's sad, it's sad," Senator Rene Saguisag, a friend of Aquino who used to be her spokesman, said in an interview.

Aquino tried to "revive the spirit" of her 1986 "people power" revolt that drove the family of dictator Ferdinand Marcos into exile, said Senator Ernesto Maceda, a stern critic of her "incompetence" in office.

The dark clouds that hovered over Manila's Rizal Park broke and drenched Aquino's party as she hiked from the park's grandstand while her personal security covered her with an umbrella to protect her from the downpour.

"It seemed even the heavens cried because of this rally. The Americans must be laughing because they did not have to be embarrassed by the spectacle," said a Filipino caught in the massive traffic jam caused by the three-hour-long rally.

Identical blue placards of "Yes to the Bases Treaty" festooned the road leading from the park to the Senate building, a few hundred metres away.

Aquino said in her remarks in front of the people that the senators who voted against the treaty should stop sending their children to American schools and stop going to American hospitals for medical checkups.

"That was shallow, really shallow," said a legislative aide of one senator.

In the meeting with the senators Aquino pushed for a referendum on the bases treaty. Emmanuel Pelaez, her ambassador to Washington, then proceeded to insult the senators with an absurd plan that would require five "senators to turn into Judases" by voting in favour of the treaty to satisfy a constitutional provision for its ratification, while being allowed to campaign against the agreement in the referendum that would follow.

"Who would be stupid to agree to such a plan?" said Maceda, head of the Committee on Defence.

"There is no Judas in the Senate," said Senator Orlando Mercado, who has his own public service television show.

"That is political suicide," declared opposition Senator Juan Ponce Enrile. "The guy who does that will have no face to speak of."

Immediately after Aquino left the Senate, the pro-bases rally rapidly dispersed under a driving thunderstorm. Some 300 metres away, anti-bases demonstrators gathered strength under the rain. The over thousand demonstrators had passion and flair. They reached the Senate under the gloaming sky and proceeded to turn the street fronting the Senate into a Mardi Gras theatre. A band belted out defiant tunes denouncing American bases in the country as people sang and danced and hugged one another's soaking bodies.

Some reporters covering the rally sang familiar songs while others jabbed clenched fists in the air.

The bases issue has had a corrosive, divisive effect on Philippine society. The pressure on the anti-bases senators has mounted day by day, and the letters to them pleading for approval of the treaty has increased dramatically.

Senator Mercado said that at one point during Aquino's rally, his staunch stand against the bases began to waver because of the enormous task of economic reconstruction facing the Philippines due to a string of natural disasters that has ravaged the country toppled by the tons of ash and mud spewed by Mt Pinatubo volcano.

"But convictions are convictions, and decisions have to be made," he said.

The anti-bases senators feel that expelling the bases is important in steeling the resolve of Filipinos to forge a national identity.

"This is the final act, the entombment of the American father image in the country," said Senator Aquilino Pimentel, a personal friend of Aquino.

Despite the hysterical warnings of the pro-bases lobby, the senators fervently believe they are in the vanguard of the drive to uphold national pride against an agreement that drools with American arrogance.

As Saguisag is wont to say to the US: "Keep your \$203 million. It's our foreign aid to you."

AFP 'To Abide' by Senate Decision

*HK1209111391 Manila Manila Broadcasting Company
DZRH in Tagalog 0948 GMT 12 Sep 91*

[By Fernan Imberga of DZRH Unit No. 22]

[Text] The Armed Forces of the Philippines [AFP] is ready to abide by the decision of the Senate regarding the hotly debated new treaty on the retention of the American military bases in the country. At the launching of the Weekly Defense Forum in Camp Aguinaldo, AFP

Chief of Staff General Lisandro Abadia stressed that the decision of the Senate on the new bases agreement will not only affect the AFP but the entire Philippine nation as a whole.

Abadia said that if the Senate rejects the new agreement, history will dictate what will occur when the military bases are gone. Speaking on behalf of the military, Abadia said that they are ready to adjust to the situation wherein the American military bases are gone.

Nonetheless, he asked Congress to allocate sufficient funds to augment the military's expected assistance from the U.S. Government which is meant to finance the AFP's modernization program. Regarding their battle against insurgency, the AFP will not yet give up its timetable for the total crush of communist rebels by 1992. In this connection, Abadia will also ask Congress for the allocation of funds to compensate the 50,000 new members of the Citizen's Armed Forces Geographic Units who will be recruited to boost the military and Philippine National Police in the counterinsurgency campaign. Chief of staff General Lisandro Abadia has additional statements:

[Begin Abadia recording in English] Whatever the Senate decides, we will abide by it. Anyway, we will...[changes thought] if we have to suffer, then so be it. If you see...[changes thought] I think the voting on the treaty does not only affect the Armed Forces, but also, the rest of the Filipinos. And so, history is going to judge that, whether that decision is good or bad for the Filipinos and for the Republic. I cannot, I have to speak out, and I think it is my constitutional right to speak out the concerns of the Armed Forces of the Philippines. But that's about it. I cannot do more than that. [end recording]

Drilon Discusses Referendum Act

*HK1209103191 Quezon City Radyo ng Bayan
in Tagalog 0712 GMT 12 Sep 91*

[News conference by Executive Secretary Franklin Drilon with members of Malacanang Press Corps; place not given—live in English; monitored in progress]

[Excerpts] [Drilon] ...under the initiative and referendum act, two petitions are possible. One is a petition to amend, to enact, to alter, or to repeal any act of Congress, and the second kind of petition feasible, legally feasible under Republic Act [RA] 6735, is the initiative on the 1987 Constitution. The latter can only take place five years after the ratification of the 1987 Constitution last February of 1987. And therefore, any initiative to amend the 1987 Constitution through a referendum can only take place in February of 1992. The matter of the exercise will drain dwindling resources of government in the wake of the disasters that hit the country. These are precisely one of the factors that we are looking at before making a final decision on the matter of the referendum under Republic Act 6735. Moreover, the president has called a multisectoral consultation precisely to discuss this referendum tomorrow at 4:00

PM, wherein we will be consulting with the private sector and also we will be consulting with members of Congress, in so far as this political exercise is concerned, since the issue involves not only the executive branch but the entire government. So, we will be making consultations from all sectors and from as wide a sector as possible.

In so far as the Philippine efforts to secure support, American support, on the proposed comprehensive debt relief, the president has received a report from Secretary Jesus Estanislao. Governor Cuisia has been authorized to make this public, and he is giving a news conference this afternoon in so far as the efforts on the debt relief package is concerned. So I would suggest that you business reporters make that trip.

[Reporter] [question indistinct]

[Drilon] Governor Cuisia is going to make the press statement, so, let us leave it at that. Okay. [passage omitted]

[Reporter] Some senators are saying that a referendum after a treaty is rejected is unconstitutional.

[Drilon] As I explained, two initiatives are possible under 6735. One is an initiative which will overturn the expected rejection and the other one on the possible amendment to the Constitution. There are questions raised on the first mode. I don't think there can be questions raised on the second mode.

[Reporter] But that can only be done after five years.

[Drilon] That's correct. And even under an initiative on the legislative process, meaning an initiative which will overturn the rejection of the treaty, that can only take place to our calculation toward the end of the year because there has to be an initiative initiated by at least 10 percent of our registered voters, which should be about 30 million, 10 percent is about 3 million. And then the Comelec [Commission on Elections] has 30 days from receipt of the petition within which to publish the petition and will call the referendum if the petition is sufficient and full of substance, with not earlier than 45 days and not later than 60 days. So, under this time frame, the referendum on the first initiative—on the first mode—can only take place toward the end of the year, not earlier. So, the second mode, that is a constitutional amendment, can take place only, I think after February 2, 1992 if I recall the date of the referendum to be February of 1987.

[Reporter] [question indistinct]

[Drilon] I am not saying that we have decided. I am just telling you the legal situation.

[Reporter] Sir, but...

[Drilon, interrupting] We have not yet decided, okay.

[Reporter] Sir, but wouldn't that be violating the Constitution, because it states that the fate of the bases must

be known on or before September 16. So, who will decide whether it is still possible for you to hold a referendum after September 16?

[Drilon] Under the law, it is the people's initiative. That's the whole theory of Republic Act 6735, and certainly there is nothing to prevent the people, through an initiative, to propose amendments to the Constitution if the process under the Republic Act 6735 is followed. That is the whole meat of the law, to allow through people's initiative to amend the Constitution.

[Reporter] Sir, just a followup. Does this mean that you will be invoking this before September 16 even if the referendum will be held after?

[Drilon] We will make a decision before September 16 on this.

[Reporter] Sir, tomorrow's participants in the multisectoral committee, will they be the same as those who attended the last meeting?

[Drilon] More or less, yes. We are not ...[changes thought] although we are not discounting the possibilities that there will be other invitees [as heard].

[Reporter] Will you give due representation or equal representation pro- and antibases?

[Drilon] This is a question on whether or not we will hold a referendum. This is a consultation.

[Reporter] [question indistinct]

[Drilon] We have not yet made any decision on that.

[Reporter] But that's tomorrow already.

[Reporter] [question indistinct] [Drilon] [answering indistinct question] On who will be invited?

[Reporter] Yes, Congress.

Right now at this hour, we will at the very least invite those who were previously invited on this issue.

[Reporter] Sir, if you are inclined to take the second mode, will it not entail more expenses for government? You will hold a referendum to amend the Constitution so that another referendum can be held on the treaty?

[Drilon] No. If the proposed constitutional amendment, if ever we take that mode, will resolve all the problems and there will only be one referendum.

[Reporter] [Question indistinct]

[Drilon] Certainly. The sovereign ...[changes thought] The principle precisely is that sovereignty resides in the people and all government authority emanates from them. That is the principle under the Constitution.

[Reporter] Is it not that we cannot have laws with a retroactive effect?

[Drilon] That is correct. Only in criminal statutes can you not have a retroactive effect.

[Reporter] Secretary, whatever decision is arrived at, in the meantime, what happens to the U.S. forces after September 16?

[Drilon] That is among the legal questions that we are studying right now.

[Reporter] Have they invoked, even in an informal manner, the Ramos-Rusk Agreement?

[Drilon] The Ramos-Rusk Agreement is there. It talks of a one-year period of withdrawal.

[Reporter] Sir, how much would government spend for the referendum?

[Drilon] Well, we have ...[changes thought] I think the Comelec will be in a better position to give you the amount. Although Senator Lina, in his bill, provided for an appropriation of 300 million pesos. But the best agency to answer that question would be the Comelec. Yes ma'am?

[Reporter] Sir, but would that be burdening the Comelec unnecessarily since that would be February and May there would be elections? Wouldn't that be unnecessarily burdening the Comelec and the teachers?

[Drilon] You cannot put a price tag on securing the will of the people on any issue.

[Reporter] Sir, what is your...

[Drilon, interrupting] As I said, we have not yet decided on this thing.

[Reporter] Sir, former Senator Arturo Tolentino maintains that any move by the executive to conduct a referendum would be unconstitutional. He pointed out that the Constitution is specific about the conditions and terms of the presence of the American bases here on the bases issue. Now, this initiative would be unconstitutional since it would be circumventing the Constitution.

[Drilon] I suggest that former Senator Tolentino read Republic Act 6735 because it precisely provides for a people's initiative to amend the Constitution.

[Reporter] How about his argument that there is a specific condition in the Constitution regarding the bases presence?

[Drilon] The Republic Act 6735 allows amendments to the Constitution through people's initiative.

[Reporter] Do you expect the Supreme Court to step in or to issue a ruling on this? If this is brought before the Supreme Court?

[Drilon] I would expect a question to be raised by some interested parties before the Supreme Court.

[Reporter] Can RA 6735 supersede a constitutional provision?

[Drilon] RA 6735 provides for a mode to amend the Constitution through people's initiative. Okay.

[Reporter] So, we understand the final word on this issue will eventually be given by the Supreme Court?

[Drilon] The question will be brought before them. I would expect the question to be brought before them given the interest generated by this bases agreement.

[Reporter] What question would you raise in the referendum?

[Drilon] I do not know yet at this point what question will be raised.

[Reporter] Under RA 6735 you can only ask one question, isn't it?

[Drilon] Yes. There can only be one title to the...

[Reporter, interrupting] What will you ask? The treaty will be...

[Drilon, interrupting] We have not yet decided as to what question...[changes thought] We have not yet even decided whether we will push through with this. We will be consulting a lot of, all the sectors on this.

[Reporter] Since you are going to amend the Constitution, will you also ask for...

[Drilon, interrupting] I am not saying that we will amend the Constitution. I am describing to you the mode of...

[Reporter, interrupting] Okay, you're planning to.

[Drilon] I am not, we are saying that we are still studying all the factors, every implication of this issue.

[Reporter] Will you also be including amendments to election-related flaws in the Constitution?

[Drilon] Right now, it's only on this bases issue if we go through with the referendum.

[Reporter] So, what is the tentative date for the referendum you are planning?

[Drilon] Well, I have already described to you the time element here involved. My estimate is that if we make a decision to have this referendum and invoke 6735 under the initiative on legislation, it cannot take place earlier than about mid-December of this year, and if it is an initiative on the 1987 Constitution, it cannot take place until after five years from the ratification of the 1987 Constitution in February of 1987.

[Reporter] Sir, has the Palace been approached by U.S. Embassy officials regarding the treaty?

[Drilon] No.

[Reporter] Referendum?

[Drilon] What?

[Reporter] The referendum. Have they given you an input?

[Drilon] No. This is a purely domestic matter which we decide on.

Referendum Bill Rejection Denied

HK1209110691 Quezon City Radyo ng Bayan
in Tagalog 1000 GMT 12 Sep 91

[By Jojo Ismael]

[Text] In an interview with Philippine Broadcasting Services News, Senator Jose Lina, Jr. vehemently denied the published report that the Senate has already rejected the referendum bill. The proposed law was sponsored by Lina, a pro-bases senator. He said that although the decision of the Supreme Court was to dismiss the petition of Congressman Pablo Garcia [to restrain the Senate from voting on the treaty], it has no bearing on the referendum bill he submitted to the Senate.

The senator stressed that the decision of the Supreme Court was an indication that the issue on whether or not to hold a referendum on the treaty ratification issue is a political decision which only Congress can make. According to Lina, the bill suggested that a referendum be conducted only after the Senate has acted on the issue of ratification.

Court Decision 'Last Straw'

HK1209030091 Quezon City MALAYA in English
12 Sep 91 pp 1, 6

[By Desiree Carlos and Romy Tangbawan with Cris Larano and Shalom Mapagu]

[Text] The Supreme Court yesterday threw out a petition seeking to stop the Senate from voting on the new bases treaty until both chambers of Congress have decided on whether to submit the agreement to a national referendum.

The 14 members of the high court unanimously denied in full the petition filed Tuesday by Rep. Pablo Garcia (LDP, [Struggle of Philippine Democrats] Cebu), on the ground that the issue of ratification or rejection of the treaty is a "political question: over which the court has no jurisdiction.

The high court said it is also not within its jurisdiction to give "declaratory relief (asking the court for an opinion)" which the petition sought.

The petition asked the high court to resolve first the issue of whether the treaty can be submitted to the people in a referendum, whether it is ratified or not.

"I told you it was not a constitutional question," said Senate Minority Floor Leader Juan Ponce Enrile (NP) [Nacionalista Party], one of 12 senators who signed a resolution on non-concurrence.

Sen. Rene Saguisag (LP) [Liberal Party] said "it is but natural" for the high court to throw the petition "into the waste basket."

He added: "Even if they put us in jail if we defy a court order, we will not change our position to support something we consider a violation of the Constitution."

With the court decision, and a statement made by U.S. President George Bush ruling out any renegotiation, pro-bases senators said they should accept "the reality that the treaty is dead."

"That was the last straw. All we can do is to wait for a new administration to renegotiate with the United States government," said pro-bases Sen. Edgardo Angara (Ind.) [Independent].

"That sealed the fate of the treaty and foreclosed any chance that some of the senators who supported the nonconcurrence resolution will still change their mind. We should now accept the reality that the treaty is dead," Angara added.

Even the "people's initiative" provision of the Constitution, one of the last measures eyed by pro-bases camp to save the treaty, was brushed aside as "impractical" by Angara, and Senators John Osmena (Ind.) and Ernesto Herreta (Ind.)

Osmena said such provision cannot be invoked until after Feb. 2, 1992, or only five years after their charter was ratified.

Sen. Heherson Alvarez (LDP) said Bush's statement further "tightened the noose" on the agreement.

The Senate yesterday started floor deliberations on the non-concurrence resolution.

Enrile and Sen. Wigberto Tanada (Ind.), who jointly sponsored the foreign relations committee resolution on non-concurrence, said "the price of approving the treaty is higher than the cost of losing the bases."

Tanada and Enrile called on their colleagues not to waste "an exceedingly rare opportunity to eliminate the last vestiges of colonial rule in our land."

Tanada said rejection of the treaty will signal the end of 470 years of foreign military presence in our territory.

"History is on our side, for by rejecting this treaty which they foist and would want us to ratify with their threats of economic and political reprisals and manipulation, we are acting in final fulfillment of our people's struggle against colonialism—not with guns or violence—but with the superior force of law and reason."

He said a Senate concurrence of a "treaty of capitulation" would "sign away and surrender to the whims and impositions of a foreign power our country's desire for peace, for an independent foreign policy, territorial integrity and self-determination..."

"Where lies friendship when in the midst of a wave of natural calamities and tremendous sufferings, our arms are being twisted to agree to a lopsided deal? Does a friend, much more a special friend, exploit one's weakness?" he asked.

Enrile pointed to constitutional flaws in the treaty as well as the disadvantages of retaining the bases.

He said "it is an unfair and unequal treaty and the costs and risks of ratifying it in its present form are greater than the benefits of doing so."

"Despite official claims to the contrary, this treaty does not recast the unequal relationship between the Philippines and the United States.

"On the contrary, it seeks to perpetuate the onerous, one-sided relationship that has long embittered many Filipinos and which leaders of both countries, in numerous pronouncements, have publicly vowed to correct," he said.

Tanada and Enrile said:

—While the Philippines is committed to allow the U.S. government the use of Subic for at least 10 years, the US only commits assistance on a "best efforts" year-by-year agreement and subject to the "availability of appropriate funding."

—The terms and details of the Philippine commitments are spelled out in the provisions of the treaty proper while the U.S. commitments to the Philippines—compensation package—are not even incorporated in the actual text of the treaty but merely expressed in US President Bush's letter to President Aquino.

—While the treaty is subject to a ratification process by the Philippine Senate, it will not undergo the same process in the U.S. Senate.

—Since the treaty authorizes the continued use of Subic by the U.S. for interventionary purposes in the country and abroad, approval by the Senate of the treaty will violate the Constitution's renunciation of "war as an instrument of national policy."

—The practice of the U.S. government of "spiriting away" American servicemen committing crimes against Filipinos is a "blatant disregard of our national sovereignty."

—The claim that the pullout of U.S. facilities from the country will weaken the government and bring about a victory of communist insurgents does not deserve a place in serious security assessment.

—It is fanciful to suggest that if the treaty is rejected, the country will be left naked to external aggression.

—A provision in the treaty allowing the U.S. to exploit natural resources within military installations is a clear violation of the Constitution which limits the use of natural resources to Filipino citizens.

On the apprehensions raised by some businessmen that the rejection of the treaty would spell the collapse of the economy, Enrile said: "We must get rid not only of the bases but above all of the foreign bases syndrome—the foreign bases mentality—that looks to the bases as the country's lost and livelihood program." [sentence as published]

On the compensation package, Enrile said the country is giving away Subic, which is of enormous value to the U.S. military, and economically, strategically, and politically, yet it is getting so little compared to the U.S. assistance to other countries that are not hosting U.S. military facilities.

Enrile said: "In denying our concurrence to the treaty that will cause the withdrawal of the U.S. military bases from our land, we are reiterating this unshakeable faith in our people... that even without the U.S. military bases, the Filipino people will survive and progress..."

"We do not need the bases, we do not need this treaty," he said.

Anti-bases senators also U.S. access to local bases after the Senate rejects the bases agreement must also be covered by a new treaty, the anti-bases senators said. [sentence as published]

They said an access arrangement based on a security alliance is covered by the constitutional ban on foreign military presence.

U.S. Ambassador Frank Wisner the other day said the U.S. may opt for an access arrangement if the Senate rejects the new treaty.

Elections Chairman Christian Monsod said if a referendum is to be conducted, it must be held mid-January at the latest and after the constitutional questions have been settled.

"It is clear we can submit for referendum a treaty that has been concurred in by the Senate. That seems to be the correct interpretation. (On) the technical 'Yes' being proposed by pro-bases advocates, I wonder what that means," Monsod said.

He said a referendum will cost P300 million.

Monsod assailed pro-bases politicians for threatening to campaign against anti-treaty senators in the 1992 polls, saying "it would be an insult to the voters to reduce the crucial political exercise into one issue alone—the bases. Social reforms, alleviation of poverty, decentralization, graft and corruption, agrarian reform... whatever happened to these issues?"

Monsod said he recognizes the bases as a crucial issue but said there are other important issues affecting the Filipino people.

Bases Workers To Picket Residences

HK1209130091 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 12 Sep 91

[Text] The Philippine workers from Clark Air Base and Subic Naval Base will picket in front of the antibases senators' residences.

This, according to Roberto Flores, president of the Federation of Filipino Civilian Employees, aims to demonstrate their sadness over the Senate's plan to reject the

new bases treaty. Flores said only 200 out of more than 6,000 displaced Philippine workers from the bases were given new jobs since the closure of U.S. satellite facilities like Camp O'Donnell in Camp John Hay and other U.S. installations.

Flores also added that they are ready to face arrest for the picket they intend to hold at the residences of antibases senators.

Asian Nations Lobby for Treaty

*HK1209092791 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 12 Sep 91*

[By Rey Arquiza of DZRH Unit No. 21]

[Text] Almost all the countries in the Asia-Pacific region have asked President Aquino to retain the U.S. bases in the Philippines. This was learned from an official of the Department of Foreign Affairs [DFA].

The latest to visit the country to convince President Aquino to retain the bases was the king of Brunei Darussalam, Hassanal Bolkiah. Japanese Prime Minister Toshiki Kaifu, during his visit and talk with President Aquino in May, also asked if it would be possible for the U.S. bases to be retained here in the Philippines. Kaifu's visit was followed by the visit of Japanese Deputy Foreign Minister Taro Nakayama who repeated the same request.

Another DFA official said the visit by the Korean Deputy Prime Minister Kang Yun-won [name as heard] was also regarding the continued retention of the U.S. bases in the Philippines. It was learned that there was pressure from the deputy prime minister of South Korea in his request to President Aquino.

The ASEAN nations have also asked the Aquino government that the U.S. bases should continue to stay in the Philippines in order to maintain the security and stability in the Asia-Pacific region.

Senator Lugar, who visited Manila recently, also attempted to convince the senators who were against the U.S. bases treaty to ratify it.

Japan 'Still Deliberating' on Aid

*HK1209120091 Quezon City Radyo ng Bayan
in Tagalog 1000 GMT 12 Sep 91*

[By Tanny Garcia]

[Text] In an interview with Akira Nishigaki, chairman of the board of the Overseas Economic Cooperation Fund of Japan [OECF], after his courtesy call at Malacanang, he said the OECF is still deliberating on what steps they will take if and when the bases treaty is rejected. It can be recalled that Japan supports the retention of the U.S. military troops in the Philippines as a means of maintaining security in the Asia-Pacific region.

Tishikaki also said he sees no increase in overseas development assistance for the Philippines because, out

of the 70 nations receiving this kind of aid from Japan, the Philippines receives the third largest appropriation.

However, he assured the president that the OECF will look into the possibility of releasing more funds under the [word indistinct] loan package to be used for the rehabilitation of areas in Central Luzon which were greatly affected by Mt. Pinatubo's explosion and continuous lahar flow.

Malaysia Not 'To Host' U.S. Bases

*HK1209120691 Quezon City ABS-CBN Broadcasting
Corporation DZMM in Tagalog 1100 GMT 12 Sep 91*

[Text] Malaysia will not offer to host the military facilities of the United States should the new bases treaty for the continued stay of the American bases in the Philippines be rejected.

This was announced by Malaysian Defense Minister Majiv Rasak. Malaysia clarified that they only agreed to an annual joint military training cooperation program to be undertaken in their country. This does not mean that they are already willing to have the American military facilities transferred to their country should they be withdrawn from the Philippines.

Aquino Seeks Ways To Save Treaty

*HK1209080491 Hong Kong AFP in English 0726 GMT
12 Sep 91*

[Text] Manila, Sep 12 (AFP)—President Corazon Aquino is desperately seeking ways to salvage a new military treaty with the United States whose imminent rejection in the Philippine Senate was largely brought on by herself.

Aquino sponsored the 1987 Constitution that erected daunting obstacles to the approval of a new treaty, handpicked the senators who are defying her, and vacillated on the issue for years before the time of reckoning.

Now, after leading tens of thousands of marchers to the Senate Tuesday in a futile show of "people power," Aquino is calling for a national referendum to quash the expected rejection of the treaty by the 23-member body.

But a majority of 12 in the Senate, which is solely vested with treaty ratifying powers, has ignored her and stood firm on its opposition with only four days to go before the current U.S. lease on the bases expires on Monday.

The referendum proposal raises constitutional questions.

Framers of the Constitution say that the referendum option was inserted in case the Senate approved the treaty, and could be used to reverse a rejection, since a scrapped treaty is null and void and thus can no longer be voted upon.

But the presidential palace is trying another tack, citing an obscure law allowing a "people's initiative" to reverse any act of Congress.

Under this plan, a petition signed by at least 10 per cent of voters could lead to a plebiscite putting the base issue before the people. But this would take a lot of time and money for a cash-strapped government with only eight months left before the May 1992 presidential, congressional and local polls.

Other, even more unusual proposals have surfaced as despair in the pro-treaty lobby sinks in.

The Malaya newspaper said in an editorial Thursday that such proposals betray "the desperate effort of the pro-bases faction to go around, above and underneath the Constitution to save their treaty from extinction."

The pro-treaty group has already used one of its last cards. The Supreme Court Wednesday threw out a petition from a congressman asking it to stop the final Senate vote until the referendum issue is resolved.

Perhaps most important of all, the United States has announced that it will start pulling out of Subic Naval Base if no treaty is in place by September 16, when the current 25-year lease on the facility expires.

Washington earlier decided to pull out of Clark Air Base by September 1992 after it was devastated by the eruption of Mount Pinatubo volcano in June.

If and when the treaty is finally rejected by the Senate, critics point out that Aquino shares much of the blame for the fiasco.

In 1985, after being catapulted to the leadership of the opposition against the late dictator Ferdinand Marcos by the assassination of her husband Benigno Aquino, she signed a declaration pledging the removal of U.S. bases in 1991.

After being installed in power by a popular uprising against Marcos, Aquino declared that she was keeping "options open" on the bases.

Abolishing the constitution used by Marcos to prolong his regime, Aquino handpicked 48 men and women to draft a new one that imposed a tough condition for extending the U.S. military presence: two-thirds of the Senate must ratify any new base treaty.

But she campaigned for the ratification of the Constitution, which was carried by a landslide on the strength of her massive popularity at the time.

After the Constitution came into force and reestablished a U.S.-style political system, she campaigned for a slate which captured most of the 24 seats in the Senate, which would later turn against her on the treaty issue.

And only a few weeks ago, when she was still confident she could muster enough votes for ratification, Aquino kept saying that whatever the Senate decides would be final.

Thailand

Minister on Cambodia, Possible Mongolian Embassy

BK1209090091 Bangkok NAO NA in Thai
12 Sep 91 p 3

[Text] Deputy Foreign Minister Wichian Watthanakhun disclosed on 11 September that Mongolia has sent its officials to inform Thailand of the country's intention to establish its embassy in Thailand. He told them that Thailand has no objection to such a request, but Thailand is not yet ready to establish a Thai embassy in Mongolia due to lack of preparation in terms of personnel and budget. However, the Thai ambassador to Beijing would probably be assigned to take responsibility of the duty, said Wichian.

Turning to the settlement of the Cambodian conflict, the Thai deputy foreign minister reported that a Thai delegation has visited Phnom Penh recently for consultations with authorities there on the reestablishment of the Royal Thai Embassy in the capital city of Cambodia. Thailand regards this as a significant step in order to foster a good relationship with each other.

In addition, Wichian reported that he has been informed that the leaders of the three [as published] Cambodian factions will meet in New York from 17-18 September to discuss ways and means of enabling the general election to take place soon in Cambodia. All the factions have softened their stances considerably compared to their previous proposals. To make the Cambodian general election clean and fair, a team of officials or representatives of the United Nations will be dispatched to Cambodia to oversee the election.

Wichian said that the final agreements on the Cambodian peace settlement are expected to be reached in Paris. If everything proceeds smoothly at each stage, the general election in Cambodia would therefore be expected within this year.

The deputy foreign minister also disclosed that Thai Foreign Minister Asa Sarasin will make a trip to Phnom Penh on 21 November to discuss with the Phnom Penh Government the reestablishment of the Thai Embassy in Phnom Penh. Should there be no problems, the Thai Embassy would be set up soon, he concluded.

Six-Month Overview of Industry Ministry

BK0509032791 Bangkok THE NATION in English
5 Sep 91 pp B1, B24

[By Pichaya Changson]

[Text] Despite its liberalization efforts in the past six months, the Industry Ministry could have done more to restructure its organization and create an environment to support better policy coordination and block inconsiderate political pressure.

Since Industry Ministry Sippanon Ketuthat and his deputy Wira Susangkonkan assumed leadership at the ministry in March, both have made two things crystal

clear: the government protection to several industries in the past would have to end and that industrial pollution would no longer be tolerated.

In line with the two policies, over 20 types of industries, including cement, petrochemical and steel have been freed. Unfortunately, the liberalization can only stir competition within small-scale industries who are not likely to break strong business cartels or monopolies already in existence.

Hence, we see no strong opposition from established manufacturers in those industries to the liberalization policy. As PM's [Prime Minister's] Office Minister Phachit Uathawikun pointed out at the Nation roundtable last week—that all the government's deregulation measures could be reversed if there was no political commitment from subsequent governments, the freeing up of those industries might prove to have a short life indeed.

Major industries such as sugar and liquor, which have enjoyed the government's absolute protection, remain intact. The protection was strengthened further by the fact that sugarcane farmers' revenue is guaranteed through the profit sharing principle established under the present system.

The attempts to break the sugar cartel in the previous months provoked opposition from existing operators and farmers on a scale which is quite unprecedented in the present administration. The policy had to be suspended for the time being.

However, there is no doubt over the ministers' integrity and cleanliness. Both deserve to be praised for their sincere intention to decentralize the decision-making powers of the ministers and those of directors general in licensing factories and their expansion, to provincial authorities.

The registration and approval procedures have been made transparent. Factory licences must be approved within two weeks after the filing of the application.

The move is timely and most welcome, although the procedural restructuring does by no means close all the legal and practical loopholes whereby unscrupulous officials can still make money.

The Industry Ministry under Sipanon can score high marks for its general performance in the past six months. But given its potential and the Cabinet support, the ministry could have done more for the long-term industrial development of the country, an initiative which can hardly be accomplished by an elected government with vested interests and power bases.

A critical examination of the ministry's own organization should be undertaken as a matter of urgency. Bureaucratic red-tape, strong political interference and rampant allegations of corruption in the past have to be corrected through organizational restructuring.

Permanent government officials, who are an essential mechanism of the ministry have never been improved.

Several of them were installed in high ranking positions, undeniably because of their links with former politicians in power at the time.

Wira, who was permanent secretary of the Industry Ministry at one time and was later forced to resign because of internal pressure, should be the person to know best how to address the vice in the ministry.

Regrettably, he did nothing in this regard in the past six months, presumably because of fear that he might be charged of taking revenge against those who had ousted him.

Industry Minister Sippanon, as chairman of a sub-committee handling infrastructure development, has spent most of his time sorting things out for the petrochemical industry with which he had built up a strong affiliation when he was president of National Petrochemical Corp Ltd.

In fact, most of the problems involving the indecision over investment in downstream plants should be left to the private sector. Sippanon should have refrained from this affair and concentrated on basic infrastructure for industries.

The Industry Ministry can escape the blame for the prevailing confusion over the car tax. Its role in the restructuring of the import and business taxes on automobiles was minimal, since the task was decided and carried out by the Finance Ministry.

But the ministry could still offer useful advice to the Finance Ministry, for after all, it knows best about the state and capability of the local automobile assembling industry, to reduce confusion over the car tax.

The Industry Ministry has become a hot spot in which politicians like to involve themselves. Its fundamental task—to develop the country's industry—has been overshadowed by political interests.

Moreover, part of its responsibilities as promoter of industries has been dominated and guided by the Board of Investment supervised by the Prime Minister himself.

The Industrial Promotion Department has lacked a meaningful job to do since the inception of the BoI [Board of Investment] and there seems to be no connection or coordination between the two ever since.

Several senior industry ministry officials once suggested that a coordinating committee between the BoI and the ministry be established to formulate coherent industrial promotion policies.

The ministry, lacking an effective incentive package to stimulate investment, has been barred from playing a more active and constructive role.

Take, for instance, the steel industry which is the basis for further industrial development. It has been planned for years that an integrated steel plant which includes a steel smelting factory be promoted.

At the same time, the law stipulates that only the Finance Ministry can hold stakes in investment projects. Many similar initiatives were killed young because of such conflict of interests.

On pollution control and clean-up Sippanon's plan to relocate about 500 small high-polluting industries in Samut Prakan in industrial estates is facing an increasing objection from investors. The idea, which is principally sound, has emerged as technically and financially costly.

So far, the ministry has not yet outlined a comprehensive relocation plan to calm fears and cushion possible repercussions on part of the industries. Moreover, there is no clear-cut procedure and timeframe for the relocation. A fair compensation package has to be mapped out as well.

These industries, though highly polluting, are legally registered by the Industrial Works Department which cannot easily disregard its responsibility by simply moving them out of the province previously designated an industrial town.

They need to have fair government compensation in case of inconveniences caused, similar to the government's incentives offered at the beginning of the industrialization of Thailand in the 70s.

But the two ministers again allowed confusion to shroud the matter. If prolonged, the relocation plan might snowball and the ministry might not be able to implement it at all.

Therefore, it is most urgent and necessary that the ministry works on the long-term issues which need planning and coordination with other related agencies for their actualization, during the remaining part of its tenure.

—The Industry Ministry yesterday held a press conference to summarize its performance during the last six months.

In a statement released, the ministry said it had liberalized 21 industries including rice milling, machinery adaption for mining, ice making, matches, electric cable, asphalt, polyether policol, alum, large plastic bag, sulphuric acid, re-enforced steel concrete, plastic mats, cotton spinning, export of radiated minerals, textiles and garment, tapioca products, bottles, ethyl alcohol, fishing net, soda ash and cement.

The ministry also stated that it has come out with support measures to control the environment by allocating a budget and provide training as well as to speed up upgrading the laws and regulations.

The ministry has taken action with 301 factories out of the complaints of 717 it had received on environment. It has ordered 335 factories to close down since they do not have permits. Polluted factories are also being encouraged to move out into the provinces.

Sippanon said he was pleased with the work done since Mar 8 and had received good cooperation from the

officials. He would embark on amending the laws on the Factory Act, polluted substances and artesian water during the remaining period of his term.

He said environment rules would be written out thoroughly for each industry to help with the supervision. The ministry said it was working jointly with the Finance Ministry to the tariffs on raw materials and intermediary materials to aid local industries.

Asked what would happen if the subsequent governments might overturn the work he had carried out, Sippanon said, "If the things which have been implemented are already good they would be difficult to dismantle. Thailand is increasing being linked to the world and cannot live in isolation." dd

Vietnam

Sino-SRV Summit To Take Place by End of 1991

BK1209051891 Hong Kong AFP in English 0515 GMT 12 Sep 91

[Text] Hanoi, Sept 12 (AFP)—A Sino-Vietnamese summit normalizing bilateral ties will take place in Beijing before the end of the year, the Vietnamese Foreign Ministry said Thursday.

Diplomatic sources said Communist Party Chief Do Muoi and Prime Minister Vo Van Kiet would travel to Beijing in early November for talks marking a formal reconciliation between the two communist neighbors, estranged since 1979.

China and Vietnam reached agreement "on the visit to China of Vietnamese leaders this year" during the current visit to Beijing of Vietnamese Foreign Minister Nguyen Manh Cam, the ministry said in a statement.

Relations have been strained since Hanoi sided with Moscow in the early 1970s against Beijing and were frozen after Vietnamese troops invaded Cambodia in 1978 to oust the Beijing-backed Khmer Rouge from power.

Cam arrived in Beijing on an official visit Monday with the primary aim of setting a date for the summit.

Reportage on Foreign Minister's Visit to PRC

Further on Li Peng Talks

BK1209025091 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 11 Sep 91

[Text] On the afternoon of 11 September, at the Ziguang Pavilion in Zhongnanhai, Li Peng, premier of the State Council of the People's Republic of China, received and held cordial talks with Comrade Nguyen Manh Cam, our country's foreign minister, now on an official visit to China.

Present at the reception on the Vietnamese side were Comrade Vu Khoan, deputy foreign minister; Comrade Dang Nghiem Hoanh, our country's ambassador to China;

and a number of high-ranking cadres of our foreign ministerial delegation. On the Chinese side were State Councillor and Foreign Minister Qian Qichen and many high-ranking cadres of the Chinese Foreign Ministry.

Foreign Minister Nguyen Manh Cam conveyed to Premier Li Peng the cordial regards and warm greetings of Comrade General Secretary Do Muoi, Council of State Chairman Vo Chi Cong, Council of Ministers Chairman Vo Van Kiet, and other comrade Vietnamese party and state leaders. He expressed the sincere feelings of friendship of the Vietnamese party, government, and people toward the Chinese Government and people. He welcomed the great achievements that the fraternal Chinese people have recorded in their reform program, open-door policy, and socialist construction. He informed the Chinese premier of the results of the meeting between the Chinese and Vietnamese foreign ministers which, he said, was an important step toward the complete normalization of Sino-Vietnamese ties.

Premier Li Peng warmly welcomed Foreign Minister Nguyen Manh Cam's official visit to China. He thanked the Vietnamese foreign minister and asked the latter to convey his cordial regards to Comrade Do Muoi, Comrade Vo Van Kiet, Comrade Vo Chi Cong, and Comrade Nguyen Van Linh and Comrade Pham Van Dong, advisers to the party Central Committee. He expressed his joy at the progress in the improvement of bilateral relations and his satisfaction at the fine results of the exchange of views between the two foreign ministers and the preparations for the official visit to China by Vietnamese leaders within this year. He welcomed the important progress in the settlement of the Cambodian issue. He said conditions are ripe for the normalization of Sino-Vietnamese relations which will meet the aspirations of the two peoples. The relations of good neighborliness and friendship between the two countries based on the principles of peaceful co-existence conform to the trend toward peace and stability in the region.

The reception took place in a cordial and friendly atmosphere.

Press Communique Issued

*BK1209063991 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 12 Sep 91*

[“Text” of 12 September press communique on the meeting between the foreign ministers of Vietnam and China]

[Text] A press communique on a meeting between the foreign ministers of Vietnam and China was released in Beijing on 12 September. The communique reads as follows:

At the invitation of PRC State Councillor and Foreign Minister Qian Qichen, SRV Foreign Minister Nguyen Manh Cam paid an official visit to the PRC, beginning 9 September 1991.

Prime Minister Li Peng received Minister Nguyen Manh Cam and his entourage.

State Councillor and Foreign Minister Qian Qichen and Foreign Minister Nguyen Manh Cam exchanged views on how to contribute to find a comprehensive political solution to the Cambodian issue, on Sino-Vietnamese relations, and on international issues of mutual concern. The meeting took place in a friendly, sincere, and frank atmosphere.

The two sides expressed their satisfaction over important progress obtained by the Cambodia's Supreme National Council at its recent meeting in Phatthaya.

The two sides affirmed their continued positive contributions to spurring a comprehensive political solution to the Cambodian issue. This issue should be eventually settled within the framework of the Paris International Conference on the basis of the general documents of the five permanent members of the UN Security Council.

The two sides were convinced that the improvement of the Sino-Vietnamese relations would contribute to spurring a comprehensive political solution to the Cambodian issue.

The two sides maintained that the restoration of the neighborly and friendly relations between the two countries of Vietnam and China is necessary. This relationship should be based on the five principles: Respect for each other's sovereignty and territorial integrity, non-aggression against each other [khoong xaam phamj laanx nhau], non-interference in each other's internal affairs, equality and mutual benefit, and mutual coexistence.

The two sides maintained that this relationship does not affect third countries and is compatible with the trend toward peace, stability, and cooperation in the region.

The two sides unanimously agreed on the need to take practical steps toward restoring the exchange of relations and cooperation between the two countries in various areas—economic, trade, communications, scientific and technological, and cultural—in order to gradually normalize Sino-Vietnamese relations.

The two sides exchanged views on a visit to China of Vietnamese leaders within this year and reached an identical view over this matter.

Foreign Minister Nguyen Manh Cam invited Foreign Minister Qian Qichen to visit Vietnam at a convenient time. Foreign Minister Qian Qichen accepted this invitation with pleasure.

Commentary Lauds Improved Ties

*BK1209105991 Hanoi Voice of Vietnam in English
1000 GMT 12 Sep 91*

[Station commentary]

[Text] After 10 years of abnormal relations, on Thursday [12 September] Vietnam and China jointly released a detailed press communique on the official friendship visit to China by Vietnamese Foreign Minister Nguyen Manh Cam and bilateral relations. According to the

communiqué, during his stay in China from 9 September, the Vietnamese foreign minister met with Chinese Premier Li Peng and Foreign Minister Qian Qichen and held cordial talks with the Chinese side.

Chinese Premier Li Peng held that the time is right for the normalization of the relations between the two countries. This has been confirmed by the two sides as necessary and based on the five principals of respect for each other's sovereignty and territorial integrity, non-aggression, non-interference in each other's internal affairs, equality, mutual benefits, and peaceful coexistence.

On bilateral ties, the two countries agreed to take practical steps to restore exchanges and cooperation in economy and trade, communications, science and technology, and culture. The two sides also exchanged views on the coming China visit by the Vietnamese leader this year. These results are of important significance; they are prompted by the traditional friendship and mutual existence. They constitute a landmark in the process of concrete normalization of relations between the two countries.

In fact, before this event, bilateral ties had been step-by-step restored and improved. This has been clearly evidenced by cross-border trade. According to the English-language CHINA DAILY, in the first six months this year Vietnamese and Chinese companies signed trade contracts worth more than 100 million U.S. dollars. These trade relations will be further developed now that important achievements on the restoration of the relations between the two countries have been made.

The Vietnamese people are elated at these important developments. Vietnam understands that these developments have not been achieved accidentally. They resulted from efforts of both sides and the consistent foreign policy of Vietnam.

At the Sixth Congress of the Communist Party of Vietnam, Vietnam advocated the normalization of relations between the two countries, and at the Seventh Party Congress, Vietnam reaffirmed that it would do all it could to restore bilateral relations.

Vietnam will continue following this policy. At the summit meeting between the two countries this year, Vietnam will try to promote these bilateral ties to a new stage, fully normalize the relations between the two countries, thus contributing to peace, stability, and cooperation in the region.

Cultural Exchange Agreement Signed With Japan

*BK1209072791 Hanoi VNA in English 0601 GMT
12 Sep 91*

[Text] Hanoi VNA Sept. 11—An agreement on cultural exchange between Vietnam and Japan was signed here yesterday by Vu Khac Lien, vice minister of culture, information and sports and vice president of the Vietnam-Japan Cultural Exchange Association, and Nukaga

Fukushiro, Diet member and head of the Japan-Vietnam Cultural Exchange Association delegation currently on a visit in Vietnam.

The signing was witnessed by Minister of Culture, Information and Sports Tran Hoan and Japanese Ambassador to Vietnam Hiroyuki Yusita.

Under the agreement, the two associations will promote the cultural exchanges between the two countries, thus contributing to the development of their friendship, as well as cultural, scientific, and technical cooperation.

While here, the Japanese delegation was received by Chairman of the Council of Ministers Vo Van Kiet. It also had working sessions with the Ministry for Foreign Affairs, the People's Committee of Hanoi, and toured a number of cultural and educational institutions in the country.

On Sept. 10 evening, the guests were feted by Minister Tran Hoan.

South Korea Seminar on SRV Investment Reported

*BK0809073291 Hanoi VNA in English 0605 GMT
8 Sep 91*

[Text] Hanoi VNA Sept. 8—More than 200 delegates representing various companies and corporations of South Korea participated in a seminar on investment in Vietnam held in Seoul recently.

Nguyen Van Ich, vice-chairman of the State Committee for Cooperation and Investment (SCCI), and a number of Vietnamese specialists also attended. The seminar was jointly organized by CMIE Group, Inc, the Korea-Vietnam Association for Economic and Cultural Development, the Union of Small and Medium-Sized Enterprises, and the Union of Plastic Enterprises of South Korea.

The seminar focused on Vietnam's economic potentials for the development of market-oriented economy and its policy of renovation.

After the seminar, the Vietnamese delegation held sessions with some major companies of South Korea such as Kum Ho group, Asiana, Kuk Dong group, Bobea group, Yukong Limited, etc. which are seeking investment in Vietnam.

The Vietnamese guests were also informed of the Korea-Vietnam Association for Economic and Cultural Development's intention to arrange a series of fact-finding tours of Vietnam for its members. The first tour is scheduled by late this month.

Oil, Gas Contract Signed With Malaysia

*BK0909124091 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 9 Sep 91*

[Text] As authorized by the Socialist Republic of Vietnam Government, this afternoon in Hanoi, Truong Thien, general director of Vietnam Oil and Gas General Corporation and Mr. Tan Sri Abidin, general director of

Malaysia National Oil and Gas General Corporation Petronas, signed a contract to prospect and exploit oil and gas at two sites on Vietnam's continental shelves.

Attending the signing ceremony, on the Vietnamese side were Deputy Minister of Heavy Industry Le Dinh Quy and representatives of the foreign ministry, the State Planning Commission, the State Committee for Cooperation and Investment, and the Ministry of Trade and Tourism. On the Malaysian side was the ambassador to Vietnam, Parameswaran.

This was the 11th contract for product distribution that Vietnam Oil and Gas General Corporation has signed with foreign oil and gas companies. It was also the first contract with a national oil and gas corporation in Southeast Asia. The term of the contract is for 25 years, including 5 years for prospecting. The Malaysian oil and gas general corporation is providing all investment. When oil is found, it will recover its investment and distribute profits according to the percentages agreed upon in the contract.

Australia To Build Commercial Center in Hanoi

*BK0909151791 Hanoi Voice of Vietnam in English
1000 GMT 9 Sep 91*

[Text] The King Palace Enterprise of Australia will undertake a joint venture with PADAVICO [expansion unknown] of Vietnam in building an international commercial center, the first of its kind in Hanoi. The Australian side will contribute 27 million U.S. dollars.

Under the plan, a 14-storey building will be built, housing offices, exhibition halls, and accommodations for foreigners.

Companies Form Corporation in Hong Kong

*BK0909072591 Hanoi Voice of Vietnam in English
1000 GMT 8 Sep 91*

[Text] Six Vietnamese companies in Hong Kong have formed a financial, commercial, and service corporation. The Vietnam Financial Company VINAFICO has an initial capital of 12 million Hong Kong dollars contributed by the Vietnamese Commercial Bank, the Vietnam Import-Export Company, and Golden Star Shipping Limited.

It provides credit payments and loans to export-import activities by Vietnamese production establishments and transfer home foreign exchanges of Vietnamese nationals in Hong Kong and other places.

Heavy Industry Delegation Visits Great Britain

*BK0909161491 Hanoi VNA in English 1512 GMT
9 Sep 91*

[Text] Hanoi VNA Sept. 9—A delegation of the Vietnamese Ministry of Heavy Industry led by Minister Tran Lum visited Great Britain from September 7-9 as guests of British Secretary of State for Energy John Wakeham.

While in Britain, the delegation visited gas and oil rigs in the North Sea, a number of oil refineries, fertilizer plants and the oil and gas exhibition of Western Europe countries held in Aberdeen. The Vietnamese guests also met with officials of a number of companies which wish to set up trade ties with Vietnam.

They were feted by Mr. John Wakeham. Among those present were senior officials of the British ministries of energy and foreign affairs as well as representatives of some British oil and gas companies. Mr. Wakeham raised toasts to the success of his guests' tour and the further development of the relations between the two countries. He accepted the invitation to visit Vietnam in the future.

International Trading Cooperatives Seminar Held

*BK1109104191 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 10 Sep 91*

[Text] On 9-11 September, the Vietnam Trading Cooperative Sector held an international seminar on the development of trading cooperatives.

Representatives of many central organizations and efficient trading cooperatives attended the seminar. Attending the seminar also were representatives of the International Cooperative Federation, the director of the Overseas Trading Company of the Japanese Consumer Cooperative, the deputy director and manager of the Singaporean Tourist Cooperative, and many delegates from the consumer cooperatives of Japanese prefectures.

At the meeting, representatives of Vietnam trading cooperatives delivered speeches describing their experiences in retailing and in applying the market mechanism in the maintenance and development of their business. They also mentioned the difficulties of the trading cooperatives in the current situation.

Delegates of other countries' cooperatives spent a great deal of time exchanging their working experiences in the consumer cooperatives. They also mentioned the possibility of cooperation between Vietnamese trading cooperatives and their international counterparts.

More Construction Workers To Be Exported

*BK1009094991 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 9 Sep 91*

[Text] Implementing construction and technical labor cooperation with foreign countries, over the past six years the Ministry of Construction has sent more than 20,360 construction workers, or 11 percent of its total work force, to various nations.

The ministry has set up 15 uniform construction corporations and enterprises operating under the business accounting system in various countries. The program of sending Vietnamese construction workers abroad has thus far earned \$66 million and 40 million rubles for

Vietnam, thereby contributing to building more material bases for the nation and providing jobs for tens of thousands of people.

The ministry's construction corporations abroad have won confidence from the host countries, including East European nations which have undergone recent crisis.

Learning from experiences during the past six years, the Ministry of Construction is mapping out plans to send construction workers to new regions of the world, considering this one of the strategic tasks of the construction sector.

Workers To Be Repatriated From CSFR

*BK1009091591 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 9 Sep 91*

[Text] Implementing the labor cooperation agreement reached by Vietnam and the Czech and Slovak Federal Republic up to the year 1995, Vietnam has sent 17,000 workers to this Federal Republic and 14,000 of them are still working there.

Due to changes in the production structure and reorganization of labor in the Czech and Slovak Federal Republic, a number of Vietnamese workers will be sent home before schedule. To compensate for this alteration, these workers will be paid a sum of money equivalent to five months salary.

Moreover, the Czech and Slovak Federal Republic has accepted Vietnam's proposal for a humanitarian aid of 400 million korunas to build training centers to forge and improve the skills of these Vietnamese workers.

Growth of Electronic Assembly Industry Noted

*BK0809073891 Hanoi VNA in English 0557 GMT
8 Sep 91*

[Text] Hanoi VNA September 8—Over the past few years, some high-grade electronic goods manufactured by foreign companies have been assembled and sold in Vietnam. These electronic products have found a niche in the domestic market, where various kinds of products of leading international companies are on display.

Trading centres for electronic goods are also found in other major cities. The variety of commodities available is extensive. They range from televisions, radio cassettes, video cassettes to amplifiers, electronic organs, computer games, and watches. Many international companies are represented including Sony, Sanyo, Sharp, National, NEC, JVC, Casio of Japan, Samsung, Goldstar, Daewoo, Orion of South Korea, Philips of Holland, Thomsom of France, Telefunken of Germany, Honmei of China, Tesla of Czechoslovakia and Neptun of Poland, National of India and Viettronics of Vietnam.

Viettronics is the biggest union of electronic enterprises in the country. Its five enterprises are located in Ho Chi Minh City, the industrial town of Bien Hoa, and Hanoi. Since early this year Viettronics enterprises have shifted to assembling complete knock down (CKD) products.

Viettronics level of skill in assembling multi-system computers has prompted 15 foreign companies to grant Viettronics licences to assemble their products with an original label attached for domestic sale.

Joining in the trade with Viettronics are the Hanoi Electronic Company (Hanel) and the Saigon Electronic Company (Sagel). Electronic assembly in this almost untapped market of over 65 million inhabitants is perceived as a lucrative opportunity. Many training centres have been set up, vying with one another to cater to the growing need for skilled electronic technicians. New workshops are being built and equipped with up-to-date assembly lines. By 1995, construction of at least ten more enterprises in the southern part of the country should be completed. These enterprises will specialize initially in the assembly of color TVs on a CKD basis. They will eventually move on to IKD (Incomplete Knock Down) assembly.

Messages of Greetings Received for National Day

*BK1109085191 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 10 Sep 91*

[Text] On the occasion of the National Day, 2 September, the comrade state and government leaders of Vietnam have received messages of greetings from leaders of many countries. These include:

- Zhelyu Zhelev, president of Bulgaria
- Dimitur Popov, chairman of the Council of Ministers of Bulgaria
- Akihito, King of Japan
- Phumiphon Adunlayadet, King of Thailand
- Anan Panyarachun, prime minister of Thailand
- General Saw Maung, chairman of the State Law and Order Restoration Council of Myanmar
- Ramiz Alia, president of Albania
- Ylli Bufi, chairman of the Council of Ministers of Albania
- Stjepan Mesic, chairman of the Presidium of the Federal Republic of Yugoslavia
- Ante Markovic, president of the Federal Executive Council of the Federal Republic of Yugoslavia
- Wee Kim Wee, president of Singapore
- Corazon Aquino, president of the Philippines
- Suharto, President of Indonesia
- 'Ali 'Abdallah Salih, chairman of the Presidential Council of Yemen
- Saddam Husayn, president of Iraq
- Husni Mubarak, president of the Arab Republic of Egypt
- Kenneth David Kaunda, president of Zambia
- Hafiz al-Asad, president of the Syrian Arab Republic
- Yeoryios Vasiliou, president of Cyprus
- Jabir al-Ahmad al-Sabah, king of Kuwait
- Meles Zenawi, chairman of the Transitional Government of Ethiopia
- Amadou Toumani Toure, chairman of the Transitional National Salvation Committee and president of Mali
- Turgut Ozal, president of Turkey

—Didier Ratsiraka, president of Madagascar
—Ghulam Ishaq Khan, president of Pakistan
—Mohammad Nawaz Sharif, prime minister of Pakistan
—Shahabuddin Ahmed, acting president of Bangladesh
—Khaleda Ziaur [prime minister of Bangladesh]
—Birendra, king of Nepal
—Maumoon Abdul Gayoom, president of Maldives
—(Amoud Habili), president of the Parliament of Afghanistan
—Abdou Diouf, president of Senegal
—Lansana Conte, president of Guinea
—Ilyas Harawi, president of Lebanon
—Zine Abidine Ben Ali, president of Tunisia
—Hamed Karoui, prime minister of Tunisia
—John Hnatyshyn, governor general of Canada
—Carlos Salinas de Gortari, president of Mexico
—Violeta Chamorro, president of Nicaragua
—Queen Elizabeth II of the United Kingdom of Great Britain and Northern Ireland
—Kurt Waldheim, president of Austria
—Mario Soares, president of Portugal
—Richard von Weizsacker, president of the Federal Republic of Germany
—Francesco Cossiga, president of Italy
—Queen Beatrix of the Netherlands
—King Harald of Norway
—Mauno Koivisto, president of Finland
—Grand Duke Jean of Luxembourg
—King Carl XVI Gustaf of Sweden
—Vincent Tabone, president of Malta
—Prince Sa'd al-'Abdallah al-Salim al-Sabah, prime minister of Kuwait
—Akbar Hashemi-Rafsanjani, president of Iran
—Konstandinos Karamanlis, president of Greece

Greetings From Sihanouk, Others

BK0809064591 Hanoi VNA in English 0601 GMT
8 Sep 91

[Text] Hanoi VNA Sept. 8—Vietnamese state leaders have received national day greetings from Prince Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, Najibullah and Khaliqyar, Afghanistan president, and Prime Minister, Vaclav Havel, president of the Federal Republic of Czech and Slovakia, Arpad Goncz, President of Hungary, Chadli Bendjedid, president of Algeria, Yasir 'Arafat, president of Palestine and chairman of the PLO, Mu'ammar al-Qadhdhafi, revolutionary leader of Libya, Lech Walesa, president of Poland, Ion Iliescu, president of Romania, and Punsalmaagiyn Ochirbat and D. Byambasuren, president and premier of Mongolia.

Cuban, Indian, DPRK Greetings

BK0709071891 Hanoi VNA in English 0613 GMT
7 Sep 91

[Text] Hanoi VNA Sept. 7—Vietnamese leaders have received messages of greetings from their Cuban, Indian, and Democratic People's Republic of Korean counterparts on the 46th National Day of Vietnam.

The message from Fidel Castro, first secretary of the Communist Party of Cuba Central Committee, president of the State Council and the Council of Ministers of Cuba, said: "We would like to affirm once again our fraternal friendship with the Vietnamese party, government and people, assure you that in the new period we always stand beside the heroic Vietnamese people and wish you greater achievement in carrying out the resolutions of the 7th CPV congress."

Indian president R. Venkataraman said in his message: "I believe that the relations between our two countries will be further consolidated and strengthened the time to come."

For his part, Indian Prime Minister P.V. Narasimha Rao wrote in a message: "We highly treasure the close friendly relations with Vietnam and hope to enhance and diversify the India-Vietnam cooperation in the interests of both countries."

The message addressed by Kim Il-song, general secretary of the Workers' Party of Korea Central Committee and president of the Democratic People's Republic of Korea [DPRK], said: "On this occasion I express my belief that the friendship and cooperation between our two parties, countries, and peoples, which have been built in the common struggle against imperialism and for the success of socialism, will be constantly strengthened and developed."

In a message sent to Vo Van Kiet, chairman of the Council of Ministers of Vietnam, DPRK Premier Yon Hyong-muk expressed his joy that the Vietnamese people have held high the socialist banner and gained big achievements in national construction.

Council of State Appoints New Army Chief

BK1109133191 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 11 Sep 91

[Communique of the Council of State on its 9-10 September 1991 session]

[Text] The Council of State met on 9 and 10 September 1991 under the chairmanship of Chairman Vo Chi Cong.

1. After hearing a briefing by a representative of the Council of Ministers on the rectification of a draft law on labor safety as conclusively reviewed by the Council of State at its 31 May 1991 meeting, and the views of a representative of the National Assembly's Economic, Planning, and Budget Committee, the Council of State discussed and passed this draft law. The law on labor safety covers various stipulations aimed at strengthening the efficiency of state management in the area of labor safety. This is to ensure that workers can work under safe and sanitary conditions, thereby contributing to an improvement in working conditions, and preventing vocational accidents, and occupational diseases.

2. The Council of State heard a report of the Council of Ministers on a draft law on an amendment of, and supplement to, a number of articles of the law on the

Vietnamese Public Security Forces, and on a draft law on the amendment of, and supplement to, a number of articles of the law on Vietnamese People's Police. It also listened to the views of the National Assembly's Legal Committee. The Council of State passed these two draft laws in order to ensure the uniform implementation of various state policies toward the people's armed forces in conformity with the law on the amendment of, and supplement to, a number of articles of the law on the Vietnamese People's Army Officers.

3. After hearing a report of the Council of Ministers and recommendations of the Economic, Planning, and Budget Committee of the National Assembly and its Legal Committee, based on Article 9 of the Law on Business Revenue and Article 9 of the Law on Special Consumer Tax, the Council of State decided to revise and amend a number of tax rates, as stipulated in the Law on Business Revenue and the Law on Special Consumer Tax, in order to overcome irrationalities in the current tax rates and create conditions for various organizations and individuals belonging to all economic components, including those engaged in the development of production and business.

As recommended by the Council of Ministers, the Council of State also decided to introduce a business license tax in the area of the state-run economic sector and to reduce the rate for slaughter tax—as stipulated in the law on the amendment of, and supplement to, a number of articles [of the law—FBIS] on industrial and business tax dated 26 February 1983—from 10 percent to 5 percent of the value of the animals slaughtered.

The Council of State urges the Council of Ministers, particularly the Ministry of Finance, to further strengthen its tax guidance efforts, and in coordination with the administration at various levels, take all necessary measures to resolutely fight tax collection shortfalls and to promptly and strictly deal with all acts of tax evasion and tax frauds or any delays in tax payment.

4. After hearing a report of the Council of Ministers and recommendations by the head of the Office of National Assembly and Council of State as well as by a representative of the National Assembly's Legal Committee, the Council of State decided to readjust the legal building program of the National Assembly and the Council of State for the second half of 1991.

The Council of State emphatically pointed out that in the final months of the year, preferably in October, it is necessary to concentrate on satisfactorily soliciting the opinions of the people with regard to a draft law on constitutional amendment and then perfect this draft law before submitting it to the National Assembly for approval at its year-end meeting.

In addition, it is necessary to satisfactorily prepare the draft law on the amendment of, and supplement to, the law on national assembly elections as well as other draft laws dealing with the organization of the state apparatus

in accordance with the spirit of the amended constitution, with the renovation of the production and business mechanism, and with various matters regarding labor.

The Council of State also approved its control and supervision program for the period between now and the end of 1991, and decided to send a number of its delegations to inspect a number of localities on the situation regarding the implementation of a National Assembly resolution on the 1991 socioeconomic tasks, especially the anticorruption and antismuggling situation.

5. As recommended by the Chairman of the Council of Ministers, the Council of State decided to appoint Comrade Dao Dinh Luyen, deputy minister of national defense, to the position of chief of the General Staff of the Vietnamese People's Army, and Comrade Le Kha Phieu, deputy head of the Political General Department, to the position of head of the Political General Department of the Vietnamese People's Army.

Vu Dinh Vinh on Congress, Marxism-Leninism

*BK1109151591 Hanoi Voice of Vietnam Network
in Vietnamese 1400 GMT 10 Sep 91*

["Topical Talk" by Editor Vu Dinh Vinh, dealing with "fundamental matters regarding the party"]

[Text] Dear comrades and friends: The Seventh National Party Congress unanimously affirmed the class character of the party as follows:

Our party is a vanguard brigade of the working class and a loyal representative of the working class, of the laboring people, and of the entire nation as a whole. The Communist Party of Vietnam [CPV] takes Marxism-Leninism and Ho Chi Minh's thoughts as an ideological platform and a beacon for its activities. What is new here is that the congress upheld Ho Chi Minh's thoughts. This is compatible with the reality of our country's revolution and with the sentiments and aspirations of our people.

In this matter, one can see that in mankind's history, although many social doctrines have greatly influenced social progress, none of them have been able to create such a strong impact on the destiny of mankind as Marxism-Leninism. Over the past half a century, Marxism-Leninism has attracted the hearts and minds of millions of people in various countries on all the continents and has become a prime mover of history in the recent past. Yet, recently, taking advantage of the temporary setbacks of the socialist movement, imperialism and reactionary forces have orchestrated a play to refute Marxism-Leninism. They are trying to demonstrate that Marxism-Leninism can no longer play a guiding role in the progress of nations, that Marxism has become outdated because it is more than 100 years old, and so on and so forth.

Looking back over past history, we can see that numerous allegations aimed at smearing Marxism have time and again emerged over the past nearly 100 years. Yet, after overcoming the turbulent time of critical blows, Marxism has been more steadfast than before and has achieved

bigger successes, both in theory and practice, and has become an ideological system and a beacon for the activities of various communist parties and nations the world over. This is because right from the time when their doctrine had just taken shape, the creators of scientific socialism clearly said: Communism qualifies as a theory, as a symbol of the theory and platform of the proletariat during the class struggle, and also as a theoretical outline for the proletariat's conditions for liberation. The idea of liberating mankind from the system of working as hired men and from the system of private ownership based on the practice of exploitation of man by man is the essence of Marxism. Therefore, with their ideals being based on communism, communist parties have, of course, taken Marxism as their ideological platform and a beacon for their activities.

This ideological system is scientifically guided as it is a combination of experiences obtained by mankind and brightened by a profound theoretical outlook and vast historical knowledge. It is the internal requirement of Marxism to develop, upgrade, and renew itself constantly. With dialectical materialism as its theoretical nucleus, Marxism accepts criticism and revolutionization. It does not accept the bad practice of conservatism and dogmatism. Marxism's method for survival and development is to be constantly motivated. In this sense, Engels emphatically said that Marxism is not a doctrine but rather a methodology as it does not present a ready-made solution but a starting point for analysis and a method for developing a process of studies.

It should be further noted that Marxism is not opposed to the sciences. Throughout its process of existence, Marxism has constantly absorbed the latest findings of the sciences and reviewed historical experiences. And every time there is a scientific invention of epochal significance, Marxism will be supplemented and developed to a higher level. Marxists in the world have been developing, are developing, and will develop Marxism-Leninism along this direction. The cause of liberating the workers will forever need such a theory as a guiding torch.

What is new in the documents of the Seventh Party Congress is that, along with affirming Marxism-Leninism as an ideological platform and also a beacon for our party's activities, our party has upheld Ho Chi Minh's thought. Ho Chi Minh's thought is a creative application of Marxism-Leninism in the particular situation of our country. This thought has become a valuable spiritual legacy of our party and nation.

The essence of Ho Chi Minh's thought is the integration of Marxism-Leninism with the workers' movement and the patriotic movement of the Vietnamese people. The CPV is a product of this integration. President Ho Chi Minh is the most flawless incarnation of this integration and also a shining symbol of the integration between the working class and the nation, between the nation and the world, and between national independence and socialism. Ho Chi Minh's thought has been vividly manifested in the fruitful achievements of the Vietnamese Revolution and in the every-day life of the Vietnamese nation. Therefore, it is an

integral part of Marxism-Leninism and an ideological platform and a beacon for the activities of our party and our country's revolution.

Dear comrades and friends, the character of a political party can be mainly seen in the cause for which it struggles—for instance, the interests of the social classes for which it struggles—and in the ideological system that it takes as a beacon for its activities. As already expounded in the documents of the Seventh Party Congress, the CPV is a political vanguard brigade of the Vietnamese working class. What decides the working character of the party lies in the fact that our party has, since its founding, always been loyal to Marxism-Leninism, an ideological system of the working class. Our party has struggled for national liberation and the advance of the country toward socialism. Now, faced with the eventful changes and complex developments of the situation, the party still affirms that it takes Marxism-Leninism and Ho Chi Minh's thought as an ideological platform and a beacon for its activities. It is clear that the party has accepted the role of a vanguard brigade of the working class and a loyal representative of the working class, of the laboring people, and of the entire nation. Our party has demonstrated its sense of responsibility before the class and the nation, both at victorious moments as well as during difficult times, and during periods when it is successful as well as during times when it is charged with wrongdoings and shortcomings. Our party has initiated and led the renovation undertaking and has thereby created an important turning point in history to gradually put our country above the state of crisis and stagnation so our country can enter a new era of development full of dynamism and creativity in order to meet our people's pressing requirements and interests in conformity with the objective law of social development in the present era.

Although the renovation undertaking is still laden with shortcomings and great difficulties, the facts over the past few years show that only our party, the political vanguard brigade of the entire society, and not any other political force can initiate and gather various social classes and various strata of population to participate in the renovation undertaking, unprecedented in our country's history.

Asserting the party's working class character, we should not separate the party from, or pit it against, any strata of working people or against the entire nation. Our party's birth is a integration of Marxism-Leninism with Vietnam's workers and the patriotic movement. Therefore, right from its founding, the party has had an intrinsic distinctive class and national character. The party has found its source of strength not only from the working class but also from other strata of working people and from various ethnic groups. It is also due to this that the laboring people and the entire nation have recognized the CPV as their leader and the representative of their essential interests. During the current stage, asserting this fact is of great significance for achieving our national stability and progress along the socialist path which we have chosen and along which we will persist until reaching our goal.

Dear comrades and friends, to fulfill the lofty mandate entrusted to it by history, our party regards the rectification and renovation of itself as a foremost and permanent task in party building at present. This fact has been demonstrated in various documents of the Seventh Party Congress: First, the rectification and renovation of the party should be carried out in such a way as to make the party steadfast politically, ideologically, and organizationally. It is the most important prerequisite to renovate the thinking of the party and upgrade its prowess to a new level. More than ever before, to lead the renovation undertaking to success, our party should improve its knowledge, expanding its ability to discover and grasp the law on the evolution of society, of various social classes, of various strata of population, and of each person, as well as knowledge about the world, the era, friends, allies, and foes. The party should acquire a level of knowledge capable of analyzing the objective historical conditions of society and thoroughly understanding the law on the development of the party itself. Only by improving the level of knowledge can the party come up with correct policies and lines. The party should enrich its knowledge by constantly improving its theoretical knowledge, and firmly grasping and creatively applying the fundamental arguments and methods of Marxism-Leninism and Ho Chi Minh's thought while constantly reviewing those vivid practical experiences obtained from the mass movement.

Ho Chi Minh's thought—an integral part of Marxism-Leninism—is a valuable spiritual asset of our party. Uncle Ho's thoughts have come to every party member and every Vietnamese citizen in a simple and friendly form and this is inseparable from their feelings of respect and affection for Uncle Ho, for his great deeds and for his shining revolutionary ethics. These are never-dying spiritual values which, under whatever circumstances, we should live up to and develop if we are to preserve these quintessences of our nation.

What is prominent in the rectification of the party is that we should satisfactorily carry out the principle of democratic centralism. Our party regards the principle of democratic centralism as one of its basic organizational principles. This is a way to distinguish the working class' political party—a genuinely revolutionary party—from other parties. In the process of implementation, our party opposes bureaucratic centralism, arbitrariness, and authoritarianism while calling for strict observance of the principle of democratic centralism. We should satisfactorily carry out democratization in the party, introduce democracy deeper in each area of work, and come up with regulations necessary to guarantee satisfactory implementation. Of course, when speaking about broadening democracy, we mean broadening activities in accordance with the principle of democratic centralism instead of carrying out formalistic or extremist democratization. And only

through the practice of the principle of democratic centralism can we effectively fight the ills of bureaucracy and anarchy and improve the party's militancy.

To rectify the party, it is most important that we should strengthen the unity and unanimity within the party on the basis of Marxism-Leninism, the party's policies and lines, and the principle of democratic centralism. To achieve this aim, we must carry out democratization in party activities, and step up criticism and self-criticism in an honest and frank fashion, reflective of comradeship, mutual respect, and mutual love. We should uncompromisingly struggle against bureaucratism, individualism, opportunism, and all indications of nepotism and division within the party. This should be built into the sense of responsibility of every party member, irrespective of their positions, age, professions, localities, or ethnic groups.

Dear comrades and friends, the Seventh Party Congress resolution also pays much attention to the question of party cadres and members and the question of the organization of the party and state apparatus while pointing to the many main solutions to existing weaknesses in the above areas of work. Regarding the area of personnel, the documents of the Seventh Party Congress note: Our country does not lack competent people. The problem now is how to come up with appropriate policies and mechanisms to discover, train, and employ competent people. The current renovation is an opportunity for us to select and try out our contingent of cadres. From this, we should satisfactorily resolve the relations among various generations of cadres so that our party can always have a contingent of cadres who are absolutely loyal to Marxism-Leninism and Ho Chi Minh's thoughts and who pledge to devote their wisdom and talents to struggle for the cause of national independence and socialism and thereby contribute duly to the world communist and workers movement.

National Board Set Up To Promote Agriculture

*BK1109163791 Hanoi VNA in English 1529 GMT
11 Sep 91*

[Text] Hanoi VNA Sept. 11—A national board has been founded to coordinate activities aimed at promoting agriculture, which is the main occupation of 95 percent of Vietnam's population.

The national board, created by the Ministry of Agriculture and Food Industry, is chaired by a deputy minister. It is responsible for popularising government policies on agricultural development, for the introduction of new technical advances, and for providing farmers with technical and managerial know-how.

Expenses incurred by the board are covered by state and local budget as well as by contribution from economic organisations.

French Polynesia

AFP Releases List of New Cabinet Lineup

BK1209054691 Hong Kong AFP in English 0529 GMT
12 Sep 91

[Excerpts] Papeete, Sept 11 (AFP)—French Polynesian leader Gaston Flosse said here Wednesday his Tahoeraa Huiraatira Party and the Here Aia Party, led by Papeete Mayor Jean Juventin, had united to form a new ruling majority. [passage omitted]

This latest move has prompted a reshuffle of the cabinet, expanded from eight minister to 10. Two ministers were dropped, four new ministers appointed and five reassigned. The Flosse-led Tahoeraa Huiraatira-Here Aia alliance will command a slim majority of 23 in the 41-seat Territorial Assembly. The new cabinet lineup:

Michel Buillard—vice president and minister of health, housing and research

Edouard Fritch—Sea, Development and Financial Affairs

Gaston Tong Sang—Public Works, Urban Affairs, Energy and Ports

Haamoetini Lagarde—Agriculture and Women (responsible for relations with the territorial assembly and economic, social and cultural council)

Pierre Dehors—Quality of Life, Environment, Development and Land Transport

Patrick Peaucellier—Finance and Administrative Reform

Marc Maamaatuaia Hutapu (also known as Marco Tevane)—Solidarity, Employment, Professional Training and Labour Law

Raymond Van Bastolaer—Education and Technical Training

Justin Arapari—Culture, Traditional Crafts and Postal and Telecommunications Services

Tony Hiro—Youth, Sports and Popular Education

Vanuatu

Emergence of 'Westminster-Style' Democracy Noted

BK0809034491 Hong Kong AFP in English 0332 GMT
8 Sep 91

[By Jack Taylor]

[Text] Port Vila, Sept 8 (AFP)—Westminster-style democracy has emerged battered and bloodied but victorious after a punishing 15-round contest with one of the South Pacific's most durable heavyweights, Walter Lini.

People witnessing the experience of Fiji or Papua New Guinea have argued the Westminster system was never suitable for transplant to a tropical island on the other side of the planet. No place could be more remote from Westminster than this archipelago called Vanuatu, home

to 150,000 Melanesians with 100 languages including French, English and a national hybrid called Bislama which is a curious mixture of both.

Nor could any culture differ more from the one in which the Westminster system evolved. For one thing, Vanuatu people show enormous respect for their leaders. This prevailing ethos is fertile ground for autocratic rule, which indeed Walter Lini was accused of last week.

The relief was therefore palpable as Lini threw in the towel without a whimper Friday after a long leadership brawl which could easily have turned as nasty as earlier struggles.

An uprising in 1988 cost a life, resulted in a million dollars damage and was described by a judge later as close to civil war. It also ended in a court case in which the country's president George Sokomanu and former minister Barak Sope were jailed for sedition, although they were later freed on appeal.

Lini, father of this infant democracy and prime minister for the 11 years of its existence, tried everything to cling to power against the tide of opinion that he was no longer fit to govern. But he did not resort to violent struggle and, although some of his actions might have been dictatorial and unconstitutional, it appeared none was illegal. He sacked those he believed or imagined to be a threat and he went to court time after time to try to end their opposition.

Acting Chief Justice Edwin Goldsbrough rejected an application for a string of injunctions over control of the ruling Vanua'aku Party (VP) after it dumped him and elected former teacher Donald Kalpokas as its president. Both were founding members of the VP.

Then an Australian judge flew to Port Vila to join a Supreme Court appeal bench which rejected a government application for an injunction to stop Friday's no-confidence vote that eventually forced Lini's resignation. "The checks and balances of the Westminster system seem to have worked at every stage," a senior Western diplomat said last week.

Lini tried twice to muzzle the only effective local media, Radio Vanuatu, by imposing a ban on the broadcast of material by the Kalpokas faction of the Vanua'aku Party. But Radio Vanuatu's Australian-born director Bob Makin resisted the gagging attempt. "I suppose we just acted as a radio station should act," Makin said this week.

The Westminster system, which has a free and independent media as a vital element, had delivered a powerful blow. Lini went to court over the issue too and lost—another point for the Westminster system.

Makin was one of about 60 senior public employees sacked in Lini's purges. Makin is likely to be offered his job back by the new Kalpokas government although he said he may not take it.

Donald Kalpokas was sworn in after Friday's no-confidence motion which accused Lini of neglecting his duty and exceeding his constitutional powers by denying fundamental rights of assembly, movement of free expression.

"The Westminster system usually works well enough until someone pushes against it, which has happened

here," the diplomat said. "But it has stood up reasonably well for a variety of reasons, one of which is that I feel there is a genuine belief in the rule of law here.

"I also feel there is a genuine belief in democracy. There have been attempts at some undemocratic actions, but the checks and balances worked to stop them," the diplomat said.

